

**AMENDMENT TO H.R. 7**  
**OFFERED BY MR. CARNAHAN OF MISSOURI**

At the end of title II, insert the following:

1 **SEC. 20\_\_\_ . URBANIZED AREA FORMULA GRANTS; TAR-**  
2 **GETED AND TEMPORARY FLEXIBILITY FOR**  
3 **DESIGNATED RECIPIENTS IN CRISIS.**

4 (a) URBANIZED AREA FORMULA GRANTS.—Section  
5 5307(b)(1) of such title is amended—

6 (1) by redesignating subparagraphs (E) and  
7 (F) as subparagraphs (G) and (H), respectively; and  
8 (2) by inserting after subparagraph (D)—

9 “(E) operating costs of equipment and fa-  
10 cilities for use in public transportation in an ur-  
11 banized area with a population of more than  
12 200,000 for a designated recipient, direct re-  
13 cipient, or subrecipient under section 5311, pro-  
14 viding public transportation in the area and op-  
15 erating less than 100 buses in fixed-route serv-  
16 ice in such area during peak service hours.”.

17 (b) TARGETED AND TEMPORARY FLEXIBILITY FOR  
18 DESIGNATED RECIPIENTS IN CRISIS.—Chapter 53 of title  
19 49, United States Code, is amended by adding at the end  
20 the following:

1 **“SEC. 5341. TARGETED AND TEMPORARY FLEXIBILITY FOR**  
2 **DESIGNATED RECIPIENTS OR DIRECT RE-**  
3 **CIPIENTS IN CRISIS.**

4 “(a) DEFINITION.—For purposes of this section the  
5 term ‘crisis period’ means that the unemployment rate, as  
6 defined by the Bureau of Labor Statistics, of any metro-  
7 politan statistical area located within a designated recipi-  
8 ent’s or direct recipient’s service area is at or higher than  
9 7 percent for the preceding month or the national average  
10 retail price of regular grade gasoline during a quarter, as  
11 reported by the United States Energy Information Admin-  
12 istration, has increased by more than 10 percent compared  
13 to the same quarter during the previous year.

14 “(b) CONDITIONS FOR FLEXIBILITY.—

15 “(1) IN GENERAL.—If a designated recipient or  
16 direct recipient operates at least 100 buses in fixed-  
17 route service during peak service hours, in an urban-  
18 ized area with a population of more than 200,000,  
19 and is certified under paragraph (3) as being in a  
20 crisis period, the agency may use funds provided  
21 under section 5307 for operating costs of equipment  
22 and facilities, subject to the conditions set forth in  
23 paragraphs (2) and (3).

24 “(2) LIMITATION ON USE OF FUNDS.—A des-  
25 igned recipient or direct recipient that meets the  
26 criteria set forth in paragraph (1) may use—

1           “(A) 50 percent of funds provided under  
2           section 5307 if it operates in an urbanized area  
3           with a population of more than 200,000 but  
4           less than 500,000;

5           “(B) 45 percent of funds provided under  
6           section 5307 if it operates in an urbanized area  
7           with a population of more than 500,000 but  
8           less than 1,000,000; or

9           “(C) 40 percent of funds provided under  
10          section 5307 if it operates in an urbanized area  
11          with a population of more than 1,000,000.

12          “(3) CERTIFICATION BY SECRETARY.—To be el-  
13          igible to use funds for operating costs of equipment  
14          and facilities under this section, a designated recipi-  
15          ent or direct recipient shall request that the Sec-  
16          retary certify, not later than 30 days after such re-  
17          quest is made, that the agency is in a crisis period.  
18          After each quarter, the Secretary shall monitor each  
19          designated recipient or direct recipient in a crisis pe-  
20          riod to determine if the agency no longer qualifies  
21          as being in a crisis period. When the Secretary de-  
22          termines that an agency is no longer in a crisis pe-  
23          riod, the agency has 3 additional consecutive quar-  
24          ters to use the funds for operating costs of equip-  
25          ment and facilities.

1 **“SEC. 5342. LOCAL CONTROL OF TRANSIT OPERATING**  
2 **FLEXIBILITY.**

3 “(a) GENERAL ELIGIBILITY REQUIREMENTS.— If a  
4 designated recipient or direct recipient operates at least  
5 100 buses in fixed-route service during peak service hours  
6 and is in an urbanized area with a population of more  
7 than 200,000 and—

8 “(1) such recipient’s percentage of revenue for  
9 the operating cost of equipment and facilities for use  
10 in public transportation from non-Federal sources,  
11 excluding system-generated revenue, is at least equal  
12 to such revenue from the previous fiscal year; or

13 “(2) the recipient receives revenue for the oper-  
14 ating cost of equipment and facilities for use in pub-  
15 lic transportation derived in whole or in part from  
16 dedicated sources of revenue;

17 the designated recipient or direct recipient may use funds  
18 provided under section 5307 for operating costs of equip-  
19 ment and facilities, subject to the percentage limitations  
20 in subsection (b).

21 “(b) LIMITATIONS ON USE OF FUNDS.—A des-  
22 ignated recipient or direct recipient that meets the criteria  
23 set forth in subsection (a) may use—

24 “(1) 30 percent of such funds if the area served  
25 has a population of more than 200,000 but not more  
26 than 500,000;

1           “(2) 25 percent of such funds if the area served  
2           has a population of more than 500,000 but not more  
3           than 1,000,000; or

4           “(3) 20 percent of such funds if the area served  
5           has a population of more than 1,000,000.

6           “(c) CONDITIONAL INCREASE IN PERCENTAGE LIM-  
7           ITS.—If the designated recipient’s or direct recipient’s  
8           percentage of revenue for the operating cost of equipment  
9           and facilities for use in public transportation from non-  
10          federal sources, excluding system-generated revenue, is  
11          greater than such revenue from the previous fiscal year,  
12          the designated recipient or direct recipient may increase  
13          the applicable percentage specified in subsection (b) by a  
14          percentage that is not greater than the year-over-year in-  
15          crease in such amount.”.



