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### PUBLIC TRANSPORTATION SAFETY ACT OF 2010

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JULY 26, 2010.—Ordered to be printed  
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Mr. DODD, from the Committee on Banking, Housing and Urban Affairs, submitted the following

### R E P O R T

[To accompany S. 3638]

The Committee on Banking, Housing and Urban Affairs, having had under consideration an original bill (S. 3638) to establish a national safety plan for public transportation, and for other purposes, having considered the same, reports favorably thereon and recommends that the bill do pass.

#### I. INTRODUCTION

On June 29, 2010, the Senate Committee on Banking, Housing and Urban Affairs met in executive session and considered an original bill, entitled the “Public Transportation Safety Act of 2010,” a bill to improve the safety of public transportation systems, and for other purposes. The Committee voted by voice vote to favorably report the bill to the Senate.

#### II. PURPOSE

The Public Transportation Safety Act of 2010 establishes a comprehensive framework for public transportation safety by improving state and federal oversight, requiring the Federal Transit Administration to develop a national safety plan, requiring local public transportation agencies to develop agency safety plans, providing the Federal Transit Administration with new enforcement authority, and requiring the implementation of a monitoring system for the safety and condition of the nation’s public transportation assets.

## III. HEARING RECORD AND WITNESSES

On December 10, 2009, the Subcommittee on Housing, Transportation and Community Development held a hearing entitled, “Examining the Federal Role in Overseeing the Safety of Public Transportation Systems.” At that hearing the Subcommittee heard testimony from Barbara Mikulski, United States Senator; Ray LaHood, Secretary, U.S. Department of Transportation; John B. Catoe, Jr., General Manager, Washington Metropolitan Area Transit Authority; David Wise, Director of the Physical Infrastructure Team, U.S. Government Accountability Office; Brian Cristy, Director of Transportation Oversight Division, Massachusetts Department of Public Utilities; and William W. Millar, President, American Public Transportation Association.

## IV. BACKGROUND AND NEED FOR LEGISLATION

Since 1964 the Federal Transit Administration has been prohibited from regulating “. . . in any manner the mode of operation of any mass transportation system . . .”<sup>1</sup> Over the past 30 years, Congress has gradually increased FTA’s ability to ensure that public transportation operators are providing transportation in a safe manner but has never repealed the statutory prohibition that precludes FTA from directly regulating safety.

Nationwide, public transportation is considered one of the safest modes of transportation. Every weekday millions of people board transit vehicles in the United States. Between 2002 and 2008, rail fixed guideway public transportation systems not overseen by the Federal Railroad Administration experienced 0.01 fatalities and 1.30 injuries per 100 million passenger miles, and public transportation bus experienced 0.05 fatalities and 16.34 injuries per 100 million miles.<sup>2</sup> This compares with 1.42 fatalities and 61.40 injuries for motor vehicles, 0.03 fatalities and 8.66 injuries for intercity rail, and 0.06 fatalities and 4.38 injuries for commuter rail, all measured per 100 million passenger miles.<sup>3</sup> Despite the historically safe record of rail fixed guideway public transportation, five high profile accidents occurred in 2009 in Boston, Washington, DC, and San Francisco, causing 9 fatalities and 166 injuries. As a result of these accidents, there has been increased attention to and scrutiny of the safety of public transportation and the authority of the Federal Transit Administration to provide safety oversight. Some of these accidents occurred as a result of operational mistakes, while others were due to equipment malfunctions, and FTA does not have the authority to address either of these issues under current law.

The Committee believes it is necessary to revise the current transit safety regime, to include more authority for FTA as well as better and more consistent oversight by State safety oversight agencies.

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<sup>1</sup> Pub. L. 88-365, §9, 78 Stat. 307 (1964).

<sup>2</sup> Source: Federal Trade Administration.

<sup>3</sup> Source: Federal Trade Administration.

*GAO concerns with the SSO Program*

In its 2006 review of the State safety oversight program, the Government Accountability Office (GAO) found significant room for improvement of the program.<sup>4</sup> The GAO's key observations were:

1. State safety oversight agencies lack expertise, staff resources, and funding to carry out their duties.
2. FTA and State safety oversight agencies need additional enforcement authority.
3. More clarity is needed on how the State safety oversight program handles oversight of rail fixed guideway public transportation agencies operating in more than one state.

*Transit conditions and investment needs*

The condition of transit systems plays an important role in ensuring the safety of both passengers and operators. The National Transportation Safety Board has stated that in some of the accidents they have investigated they found the infrastructure was in poor condition. In other accidents, the rail cars that make up the train were old and therefore, not as crashworthy as newer models.

In April, 2009, FTA published a Rail Modernization Study, in which FTA assessed the level of capital investment required to attain a state of good repair for the seven largest rail transit operators in the United States. These agencies are not only the largest, but also some of the oldest rail systems. FTA found that 35 percent of the assets owned by these agencies were in poor or marginal condition, compared with less than 20 percent in the nation as a whole (excluding the seven study agencies).

FTA has reported that the seven largest rail fixed guideway systems alone have a backlog of state of good repair needs totaling more than \$50 billion, and the public transportation industry as a whole has a backlog totaling nearly \$80 billion.

V. SECTION-BY-SECTION ANALYSIS

*Section 1. Short title.* This section provides the Short Title of the bill, "Public Transportation Safety Act of 2010".

*Section 2. Findings and purposes.* This section provides the findings and purposes of the Act.

*Section 3. Public transportation safety.* This section establishes a public transportation safety program by amending section 5329 of title 49, United States Code.

Subsection (a) defines "recipient" as a State or local governmental authority, or any other operator of a public transportation system that receives financial assistance under chapter 53 of title 49, United States Code. This includes public and private operators of public transportation systems, including direct recipients, sub-recipients, and contractors.

Subsection (b) requires the Secretary of Transportation to establish a National Public Transportation Safety Plan ("National Safety Plan") to improve the safety of public transportation systems. As part of the National Safety Plan, the Secretary is required to develop safety performance criteria for all modes of public transportation, define a state of good repair, and establish a public trans-

<sup>4</sup>*Rail Transit: Additional Federal Leadership Would Enhance FTA's State Safety Oversight Program.* GAO-06-821, July 2006.

portation safety certification training program. Further, the Secretary is required to establish minimum performance standards for public transportation vehicles, taking into consideration, to the extent practicable, recommendations of the National Transportation Safety Board (NTSB), as well as recommendations and best practices standards developed by the public transportation industry.

The NTSB is an independent federal agency that promotes transportation safety and investigates transportation accidents. Upon completion of an accident investigation or safety study, NTSB develops safety recommendations to mitigate or remove conditions that may have contributed or might contribute to an accident. The Committee recognizes that these safety recommendations do not undergo a cost-benefit analysis and as such do not reflect the budgetary realities of the public transportation systems that are charged with responding to NTSB safety recommendations. Subsection (h) of section 5329 requires the Secretary to consider costs and benefits before taking any action under section 5329. Therefore, in considering NTSB safety recommendations for the development and implementation of performance standards, the Secretary should do so to the extent practicable, taking into consideration the costs and benefits of developing and implementing such recommendations.

The Committee expects that the National Safety Plan will be developed with input and participation of those impacted by the new requirements. The Committee anticipates that, in addition to this initial participation, any new proposals will include a notice and comment process that permits the transit industry to express its views before any amendments are adopted.

The Committee recognizes that developing safety performance criteria and performance standards will be a time-consuming process. The Committee's intent is that rail fixed guideway systems should be the priority in preparing a National Safety Plan. While the Committee has provided the Secretary authority to develop and enforce safety standards and performance criteria, including for operations, for all modes of public transportation, it has devoted a significant amount of attention and oversight to rail fixed guideway systems, which the Committee believes require the most immediate attention. Public transportation is one of the safest modes of transportation available, and the Committee does not intend for this legislation to result in a replication of the FRA regulatory model, with highly specific and prescriptive regulations related to public transportation safety. The Committee expects the Secretary to take a measured approach in developing regulations to implement this Act.

To meet the need for safety oversight expertise, subsection (c) requires the Secretary to establish a public transportation safety certification training program. Reports from the Government Accountability Office indicate that safety oversight staff qualifications and training vary greatly across the United States. Employees and contractors of State safety oversight agencies (SSOAs), and Federal employees who provide safety oversight for rail fixed guideway public transportation systems and conduct safety audits and examinations of public transportation systems will be required to complete this training.

The initial public transportation safety certification program should focus on safety oversight of rail fixed guideway systems, and the Secretary should prioritize the training for State safety oversight personnel, as well as rail fixed guideway public transportation employees responsible for safety oversight. Once the training program for oversight of rail fixed guideway is established, the Secretary may develop the training program to include other modes of public transportation. Public transportation agency personnel responsible for safety oversight may participate in the same training as State safety oversight personnel, in order to ensure that they are provided the same information as the personnel responsible for their oversight. This subsection requires the Secretary to establish interim provisions for the training and certification of personnel between the time the Act is enacted and a final rule is issued.

The Committee strongly encourages FTA to make efficient and effective use of the existing training and curriculum development institutions at its disposal in developing and implementing the program described in subsection (c). DOT- and FTA-sponsored entities offer numerous options for the development and facilitation of a robust training program.

Subsection (d) requires recipients to develop and implement a Public Transportation Agency Safety Plan ("Agency Safety Plan"). Each recipient will self-certify that it has developed this comprehensive Agency Safety Plan, and FTA will incorporate review of these plans into triennial reviews. The Agency Safety Plan must include identification and evaluation of risks, strategies to minimize exposure to hazards, and a process and timeline for conducting an annual review and update of the Agency Safety Plan. The Committee expects the Agency Safety Plan and any updates to the plan will be developed collaboratively with employees at all levels of the organization, including safety personnel, supervisors, operators, the labor organization representing the plurality of employees, and others. The recipient's board of directors will be required to approve the Agency Safety Plan and any updates to the plan. This requirement will take effect one year after the effective date of a final rule implementing subsection (d) issued by the Secretary, thus allowing recipients time to develop Agency Safety Plans that are compliant with the statute.

The legislation requires that each recipient designate an adequately trained safety officer with direct reporting authority to the general manager or equivalent officer of the recipient for his/her safety-related duties. The Committee heard testimony at the December 10, 2009, hearing that a direct reporting requirement to the general manager or equivalent officer is an essential element for every recipient. The Committee has also heard, informally, accounts of safety concerns being ignored when safety officers did not have a direct line of communication to the head of the agency. This direct reporting requirement is designed to reduce the likelihood of such events in the future.

Since no two public transportation systems are alike, the Committee does not intend that regulations implementing this subsection should be "one size fits all." On the contrary, regulations should take into account, at a minimum, the differences in fleet size, ridership, number of personnel, and operating environments of recipients. The Committee recognizes that rail fixed guideway pub-

lic transportation agencies are currently required to develop comprehensive safety and security plans pursuant to part 659 of title 49, Code of Federal Regulations; also known as a Part 659 plan. It is the Committee's expectation that these plans remain in place until such time as FTA issues regulations establishing the contents of the Agency Safety Plans. It is also the Committee's expectation that rail fixed guideway public transportation agencies not be required to have both a Part 659 plan and an Agency Safety Plan.

The goal of subsection (d) is to ensure that all recipients have in place an Agency Safety Plan, not to further increase the paperwork burden on these agencies. Incorporating the requirements of the existing Part 659 plans with the requirements of this legislation will ensure that recipients with rail fixed guideway systems are not duplicating their efforts to meet differing requirements.

The safety training program identified in subsection (d) is different from the training program identified in subsection (c). The training provision in subsection (d) requires every recipient to develop a safety training program for its personnel as well as ongoing safety training and education. While many recipients provide safety training for their personnel, the goal of the requirement is to ensure that initial and ongoing training are built in to the overall Agency Safety Plan of every recipient. The Committee encourages FTA to work with the industry and utilize, to the greatest extent possible, existing facilities and resources that may be able to assist in the development of a general safety training curriculum to address these needs.

Subsection (e) establishes the State safety oversight program for States that have rail fixed guideway systems within the jurisdiction of the State that are not subject to the Federal Railroad Administration's regulations. Rail fixed guideway systems include heavy rail, light rail, cable cars, inclined planes, monorails, and automated guideways.

States subject to this subsection are required to submit an appropriate State safety oversight program to the Secretary for approval, effective three years after the effective date of a State safety oversight final rule issued by FTA or risk losing certain Federal assistance. Once this subsection becomes effective, if a State subject to this subsection does not have an adequate State safety oversight program in place, the State will not be able to obligate Federal financial assistance funds otherwise available to it under chapter 53 of title 49, United States Code. The legislation requires States to assume responsibility for oversight of rail fixed guideway public transportation safety; enforce Federal law for rail fixed guideway public transportation safety; and establish a State safety oversight agency (SSOA). The State, in consultation with the Secretary, will determine the appropriate staffing levels for the SSOA, and staff engaged in auditing rail fixed guideway public transportation systems will be required to complete the public transportation safety certification training developed by the Secretary under subsection (c). A State's safety oversight program must prohibit public transportation agencies from providing funds to the SSOA.

State safety oversight agencies are required to be independent legal entities that are financially and legally separated from the public transportation agencies for which the SSOA provides oversight. SSOAs are prohibited from funding, promoting, or providing

public transportation services and may not employ any individual who is responsible for the administration of public transportation programs. This does not mean that an SSOA cannot be physically housed within a State DOT; it simply means the SSOA must be an entity that is separate and distinct from the State DOT. The purpose of these provisions is to prevent a conflict of interest between the SSOA and the rail fixed guideway public transportation agencies the SSOA oversees. A State or local government may provide matching funds to the SSOA, provided the funds are not revenues derived from a public transportation agency, and also provide matching operating or capital funds to a rail fixed guideway public transportation agency.

A State may request a waiver from the requirement that its SSOA be an independent legal entity, and from the prohibition against funding, promoting or providing public transportation services, if the rail fixed guideway systems in revenue service, design or construction in the State have fewer than 1 million combined actual and projected revenue miles per year or provide fewer than 10 million combined actual and projected unlinked passenger trips per year. "Projected" revenue miles and passenger trips refer to systems in design or construction, and the projected revenue miles or passenger trips for the first year of revenue operations. This provision permits States with small rail fixed guideway systems to establish an SSOA within an existing State DOT or equivalent agency, as long as State safety oversight personnel do not also administer public transportation programs. In the event a State shares jurisdiction of a rail fixed guideway public transportation system with one or more other States, and also has one or more smaller systems that are not shared with another State, the vehicle revenue miles and the unlinked passenger trips of the rail fixed guideway system under the shared jurisdiction does not count in making the determination as to whether a waiver might apply. This is because the States sharing jurisdiction of a system must jointly develop a State safety oversight program or designate an entity to provide safety oversight of that system.

States that receive a waiver may experience growth in their vehicle revenue miles and unlinked passenger trips such that the State no longer qualifies for the waiver provision. In that situation, the Committee expects the Secretary to provide adequate notice and opportunity for the State to establish an independent SSOA that will meet all the requirements of this subsection.

SSOAs must have the authority to oversee and enforce implementation of FTA's State safety oversight rules. SSOAs must also have investigative and enforcement authority with respect to the safety of rail public transportation systems within the State. SSOAs are required to audit rail fixed guideway public transportation systems over which they have jurisdiction at least triennially, and are required to provide annual reports to FTA, the Governor of the State, and the board of directors of any rail fixed guideway public transportation agency for which it provides oversight.

States that share jurisdiction over a rail fixed guideway public transportation agency with one or more other States must work jointly with the other State(s) to develop a State safety oversight program or jointly designate an entity to provide safety oversight

of the rail fixed guideway public transportation agency that serves multiple states.

The Secretary will approve a State safety oversight program if it meets the requirements of subsection (e) and implementing regulations and is adequate to promote the purposes of section 5329. If the Secretary does not approve the program, the State will have the opportunity to modify and resubmit its program for approval.

The Secretary may make grants to a State that submits a proposal to establish a State safety oversight program for the review and written approval of the Secretary, and submits amendments for approval at least 60 days before such amendments become effective. If the Secretary does not respond within 60 days to a submitted amendment, the amendment will be deemed to be approved. Upon approval of a State safety oversight program, a Federal grant will be for 80 percent of the reasonable costs of the program. A State may supplement the staffing approved by the Secretary as long as the supplemental staffing is funded with State or local dollars. The non-Federal share cannot be met by any other Federal funds or any funds received from a public transportation agency, including farebox revenue. The Secretary may provide 100% federal share for SSOA staff to participate in the public transportation safety certification training program described in subsection (c).

If the Secretary finds the State safety oversight program is not being carried out in accordance with section 5329 or has become inadequate to ensure the enforcement of safety regulations, the Secretary is required to provide notification to the State of his intent to withhold funds or withdraw approval of the program. The State must be given a reasonable amount of time to correct the deficiency and submit an updated proposal to the Secretary for approval. If the State is unable to correct the problem, the Secretary will notify the State of the withholding of funds or withdrawal of approval. In the event the Secretary withdraws approval, the Secretary will have responsibility for providing temporary safety oversight for the rail fixed guideway systems of that State until such time as the State's program is approved by the Secretary. During the time the Secretary provides oversight of the State's rail fixed guideway systems, the State will not be permitted to obligate any funds otherwise available to it under chapter 53 of title 49, United States Code.

The Secretary has the authority to oversee the activities of State safety oversight agencies, audit their operations at least once triennially, and issue regulations to carry out the State safety oversight program.

Subsection (f) provides the Secretary with the authority to inspect and audit all public transportation systems; to make reports and issue directives with respect to the safety of public transportation systems; to issue subpoenas and take depositions; to require the production of documents; to prescribe recordkeeping and reporting requirements; to investigate public transportation accidents and incidents; to enter and inspect equipment, rolling stock, operations and relevant records; and to issue regulations to carry out section 5329. The Committee has provided the Secretary with all the tools necessary to implement this section, and anticipates these tools will be used judiciously to ensure the safety of rail fixed guideway public transportation systems. As part of Congress' in-



tent to comprehensively regulate the safety of public transportation systems, the Committee has also provided the Secretary with the authority to enter the premises of public transportation agencies and SSOAs, since such inspections are integral to the goals of this legislation. The Committee expects the Secretary to issue regulations that define “reasonable time” and “reasonable manner” for the purpose of entering and inspecting equipment, facilities, rolling stock, operations and relevant records.

Subsection (g) permits the Secretary to take enforcement actions against recipients that are noncompliant with Federal transit safety law. The Secretary is permitted to issue directives, require more frequent oversight, impose more frequent reporting requirements, require that formula grant funds be spent to correct safety deficiencies before funds are spent on other projects, withdraw funds from a recipient, and impose civil penalties. Imposing conditions on grants, withholding funds and imposing civil penalties are for the most egregious violators of Federal transit safety law. Recipients will be given the opportunity to correct violations before these penalties are imposed. In addition, the Committee has provided SSOAs the authority to request the Secretary use these enforcement tools in the event the SSOA determines such tools are necessary to compel compliance of the rail fixed guideway systems they oversee. Funds withheld from a recipient may be restored if the agency becomes compliant within one fiscal year from the date the funds were withheld. The Secretary is permitted to impose civil penalties only when all other methods of enforcement have failed, unless it is in the public interest to waive this requirement. The Secretary is required to notify the Committee on Banking, Housing and Urban Affairs of the U.S. Senate and the Transportation and Infrastructure Committee of the House of Representatives prior to withdrawing funds or imposing civil penalties.

The Committee did not include provisions duplicative of other Federal laws in the Public Transportation Safety Act of 2010. The Secretary has additional enforcement provisions at his disposal through numerous other Federal laws, including, for example, the Administrative Procedure Act, which permits the Secretary to issue emergency regulations; and 18 U.S.C. 1001, which provides criminal penalties for anyone making a false statement to the U.S. Government. Further, chapter 7 of title 5, United States Code, permits a State or recipient to seek judicial review of an action by the Secretary. The absence in the Public Transportation Safety Act of 2010 of a particular remedy that is found elsewhere in Federal law should not be taken to mean that the remedy does not apply, if it applies generally or specifically through other Federal law.

Subsection (h) requires the Secretary to consider the costs and benefits before taking any action under section 5329. This requirement may be waived if the Secretary determines a waiver is in the public interest. The Committee has not defined “public interest” in this context or with respect to the waiver regarding civil penalties, in an effort to ensure the Secretary has the flexibility necessary to ensure the safety of public transportation passengers. Nevertheless, the Committee strongly believes that any use of the waiver authority should be used judiciously and with a robust explanation regarding the “public interest” that is at stake.

Subsection (i) provides that the Secretary of Homeland Security must consult with the Secretary of Transportation prior to issuing a regulation that the Secretary of Transportation determines affects the safety of public transportation systems. In the event there is a conflict, the Committee expects the Secretaries will collaborate to find a mutually satisfactory solution.

Subsection (j) provides that to the extent possible, there should be national uniformity with regard to public transportation safety laws, regulations and orders. States are permitted to keep in place a consistent, additional or more stringent law related to the safety of public transportation, as long as the law has a safety benefit, is not incompatible with a law, regulation, or order, or the terms and conditions of a grant agreement, of the U.S. Government, and does not unreasonably burden interstate commerce. Laws implemented by a State to establish its State safety oversight program will not be preempted by Federal law as long as such laws are consistent with Federal law.

Subsection (k) requires the Secretary to report annually to the Committee on Banking, Housing and Urban Affairs of the U.S. Senate and the Transportation and Infrastructure Committee of the House of Representatives on public transportation safety trends and the effectiveness of State safety oversight programs.

Two GAO reports are required: one due two years after enactment of the Public Transportation Safety Act of 2010, and the second due one year after section 5330 of title 49, United States Code, is repealed.

#### *Section 4. Transit asset management*

This section establishes a transit asset management program in section 5326, title 49, United States Code. FTA has reported that the public transportation industry as a whole has a backlog of repair needs totaling nearly \$80 billion. It is the Committee's belief that state of good repair directly relates to the safety of a public transportation system, as the likelihood of accidents increases as the condition of equipment and infrastructure worsens. The Secretary is required to establish a transit asset management system, defined as a strategic and systematic process of operating, maintaining, and improving public transportation capital assets effectively through the life cycle of those assets. The transit asset management system will include a definition of state of good repair; a requirement that public transportation systems develop capital asset inventories and condition assessments; a requirement that recipients report on the condition of their transit system and provide a description of the change in condition since the last report; a process or tool that allows recipients to estimate their capital investment needs over time and assists with asset investment prioritization; and technical assistance to recipients. It is not the Committee's intent that the information provided from the transit asset management program be used by FTA to micromanage daily operations or capital expenditures of individual public transportation systems. The Secretary must issue a notice of proposed rulemaking not later than 240 days after the date of enactment of the Public Transportation Safety Act of 2010, and must issue a final rule within a reasonable amount of time.

The legislation authorizes \$2 million per year for FY 2011, 2012, and 2013, for the Secretary to develop a model transit asset management system tool that can be disseminated and utilized by public transportation systems, with adjustments to tailor the tool to each system as necessary. It is not the Committee's intent that every public transportation system will develop its own unique transit asset management system. Rather, it is the goal of the Committee that FTA work with the industry to maximize efficiencies and develop a comprehensive tool to be used by the industry as a whole.

*Section 5. National transit database*

This section amends the reporting requirements in section 5335 of title 49, United States Code. Recipients of Federal financial assistance under chapter 53 are required to report the causes of reportable incidents, as well as their transit asset inventories and condition assessments. Reporting of transit asset inventories and conditions is not required until two years after the effective date of regulations issued under section 5326. This section also amends section 308(e) of title 49, United States Code, to require the Secretary to use the inventory and assessment information in its biannual report to Congress.

*Section 6. Additional safety provisions*

This section establishes the Office of Safety and Security within the Federal Transit Administration, to be lead by an Associate Administrator of Safety and Security.

This section amends section 5334 of title 49, United States Code, to permit the Secretary to issue safety regulations.

Section 5307(d)(1) of title 49, United States Code, is amended effective one year after the effective date of a final rule issued under section 5329(d), as amended by the Act, to require recipients to certify that they have developed a public transportation agency safety plan, and to link the certification to FTA's triennial review process.

Section 5331(b)(2) of title 49, United States Code, "Alcohol and Controlled Substances Testing," is amended to require the Secretary to establish and implement an enforcement program, including the imposition of penalties for failure to comply with FTA's alcohol and controlled substances testing program.

This section repeals section 5330 of title 49, United States Code, "State Safety Oversight," three years after the effective date of final regulations implementing section 5329(e) of title 49, as amended by the Act.

VI. COMMITTEE CONSIDERATION

The Committee on Banking, Housing and Urban Affairs met in executive session on June 29, 2010, and by a voice vote ordered the bill reported.

VII. CONGRESSIONAL BUDGET OFFICE COST ESTIMATE

Section 11(b) of the Standing Rules of the Senate, and Section 403 of the Congressional Budget Impoundment and Control Act, require that each committee report on a bill contain a statement estimating the costs of the proposed legislation. The Congressional Budget Office has provided the following cost estimate:

The Public Transportation Safety Act of 2010 would authorize the Federal Transit Administration (FTA) to establish uniform safety standards for public transportation systems and would authorize appropriations for grants to certain states to implement those standards. Assuming appropriation of the specified amounts, CBO estimates that implementing the bill would cost \$61 million over the 2011–2015 period.

Pay-as-you-go procedures apply to this legislation because enacting it could affect revenues. The bill would allow the Department of Transportation (DOT) to impose civil penalties in certain situations where safety standards are violated; such collections are classified as revenues in the budget. Based on information from the FTA, however, CBO estimates that the new penalties would have no significant impact on the federal budget in any year.

The bill would impose an intergovernmental mandate as defined in the Unfunded Mandates Reform Act (UMRA) by preempting state laws related to public transportation safety if those laws do not meet the minimum requirements of a uniform national standard. While that preemption would limit the application of state law, CBO estimates that it would impose no duty on state, local, or tribal governments that would result in additional spending. The legislation contains no new private-sector mandates.

Estimated cost to the Federal Government: The estimated budgetary impact of the Public Transportation Safety Act of 2010 is shown in the following table. The costs of this legislation fall within budget function 400 (transportation).

	By fiscal year, in millions of dollars—					
	2011	2012	2013	2014	2015	2011–2015
CHANGES IN SPENDING SUBJECT TO APPROPRIATION						
Authorization Level .....	12	22	32	0	0	66
Estimated Outlays .....	8	17	26	8	2	61

Basis of estimate: For this estimate, CBO assumes that the bill will be enacted in 2010 and that the amounts estimated to be necessary will be appropriated each year. Estimates of spending are based on historical spending patterns for similar programs.

*Spending subject to appropriation*

The legislation would authorize appropriations for the FTA to establish uniform safety standards for public transportation systems nationwide and to make grants to states to implement those standards. The bill would consolidate all safety oversight for public transportation systems that operate on fixed routes under an Office of Safety and Security within the FTA. That office would be responsible for establishing and overseeing safety standards as implemented by state and local governments, training federal, state, and local employees regarding the new safety standards, and making grants to states. Based on information from the FTA, CBO estimates the FTA would ultimately need to hire about 30 full-time equivalent staff members. Assuming appropriation of the specified amounts, CBO estimates that implementing this bill would cost about \$61 million over the 2011–2015 period.

*Revenues*

The bill would allow DOT to impose civil penalties in certain situations where safety standards established by the FTA are violated. Such collections are deposited in the Treasury and classified as revenues in the budget. Based on information from the FTA, CBO estimates that the new penalties would have no significant impact on the federal budget.

Pay-As-You-Go considerations: The Statutory Pay-As-You-Go Act of 2010 establishes budget reporting and enforcement procedures for legislation affecting direct spending or revenues. The net changes in outlays and revenues that are subject to those pay-as-you-go procedures are shown in the following table.

CBO ESTIMATE OF THE STATUTORY PAY-AS-YOU-GO EFFECTS FOR THE PUBLIC TRANSPORTATION SAFETY ACT OF 2010 AS ORDERED REPORTED BY THE SENATE COMMITTEE ON BANKING, HOUSING AND URBAN AFFAIRS ON JUNE 29, 2010

	By fiscal year, in millions of dollars—												2010– 2015	2010– 2020
	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020			
	NET INCREASE OR DECREASE (–) IN THE DEFICIT													
Statutory Pay-As-You-Go Impact ...	0	0	0	0	0	0	0	0	0	0	0	0	0	0

Estimated impact on State, local, and tribal governments: The bill would impose an intergovernmental mandate as defined in UMRA by preempting state laws related to public transportation safety if those laws do not meet minimum requirements of a uniform national standard. While that preemption would limit the application of state law, CBO estimates that it would impose no duty on state, local, or tribal governments that would result in additional spending.

Estimated impact on the private sector: The bill contains no new private-sector mandates.