§ 5317. New freedom program

(a) Definitions.— In this section, the following definitions apply:

(1) Recipient.— The term “recipient” means a designated recipient (as defined in section 5307 (a)(2)) and a State that receives a grant under this section directly.

(2) Subrecipient.— The term “subrecipient” means a State or local governmental authority, nonprofit organization, or operator of public transportation services that receives a grant under this section indirectly through a recipient.

(b) General Authority.—

(1) Grants.— The Secretary may make grants under this section to a recipient for new public transportation services and public transportation alternatives beyond those required by the Americans with Disabilities Act of 1990 (42 U.S.C. 12101 et seq.) that assist individuals with disabilities with transportation, including transportation to and from jobs and employment support services.

(2) Administrative expenses.— A recipient may use not more than 10 percent of the amounts apportioned to the recipient under this section to administer, plan, and provide technical assistance for a project funded under this section.

(c) Apportionments.—

(1) Formula.— The Secretary shall apportion amounts made available to carry out this section as follows:

(A) 60 percent of the funds shall be apportioned among designated recipients (as defined in section 5307 (a)(2)) for urbanized areas with a population of 200,000 or more in the ratio that—

(i) the number of individuals with disabilities in each such urbanized area; bears to

(ii) the number of individuals with disabilities in all such urbanized areas.

(B) 20 percent of the funds shall be apportioned among the States in the ratio that—

(i) the number of individuals with disabilities in urbanized areas with a population of less than 200,000 in each State; bears to

(ii) the number of individuals with disabilities in urbanized areas with a population of less than 200,000 in all States.

(C) 20 percent of the funds shall be apportioned among the States in the ratio that—

(i) the number of individuals with disabilities in other than urbanized areas in each State; bears to

(ii) the number of individuals with disabilities in other than urbanized areas in all States.

(2) Use of apportioned funds.— Funds apportioned under paragraph (1) shall be used for projects as follows:

(A) Funds apportioned under paragraph (1)(A) shall be used for projects serving urbanized areas with a population of 200,000 or more.

(B) Funds apportioned under paragraph (1)(B) shall be used for projects serving urbanized areas with a population of less than 200,000.

(C) Funds apportioned under paragraph (1)(C) shall be used for projects serving other than urbanized areas.

(3) Transfers.—

(A) In general.— A State may transfer any funds apportioned to it under paragraph (1)(B) or (1)(C), or both, to an apportionment under section 5311 (c) or 5336, or both.
(B) **Limited to eligible projects.**— Any funds transferred pursuant to this paragraph shall be made available only for eligible projects selected under this section.

(C) **Consultation.**— A State may make a transfer of an amount under this subsection only after consulting with responsible local officials and publicly owned operators of public transportation in each area for which the amount originally was awarded under subsection (d)(4).

(d) **Competitive Process for Grants to Subrecipients.**—

(1) **Areawide solicitations.**— A recipient of funds apportioned under subsection (c)(1)(A) shall conduct, in cooperation with the appropriate metropolitan planning organization, an areawide solicitation for applications for grants to the recipient and subrecipients under this section.

(2) **Statewide solicitation.**— A recipient of funds apportioned under subsection (c)(1)(B) or (c)(1)(C) shall conduct a statewide solicitation for applications for grants to the recipient and subrecipients under this section.

(3) **Application.**— Recipients and subrecipients seeking to receive a grant from funds apportioned under subsection (c) shall submit to the recipient an application in the form and in accordance with such requirements as the recipient shall establish.

(4) **Grant awards.**— The recipient shall award grants under paragraphs (1) and (2) on a competitive basis.

(e) **Grant Requirements.**—

(1) **In general.**— A grant under this section shall be subject to all the requirements of section 5310 to the extent the Secretary considers appropriate.

(2) **Fair and equitable distribution.**— A recipient of a grant under this section shall certify that allocations of the grant to subrecipients are distributed on a fair and equitable basis.

(f) **Coordination.**—

(1) **In general.**— The Secretary shall coordinate activities under this section with related activities under programs of other Federal departments and agencies.

(2) **With nonprofit providers.**— A recipient that transfers funds to an apportionment under section 5336 pursuant to subsection (c)(2) shall certify that the project for which the funds are requested under this section has been coordinated with nonprofit providers of services.

(3) **Project selection and planning.**— Beginning in fiscal year 2007, a recipient of funds under this section shall certify that—

   (A) the projects selected were derived from a locally developed, coordinated public transit-human services transportation plan; and

   (B) the plan was developed through a process that included representatives of public, private, and nonprofit transportation and human services providers and participation by the public.

(g) **Government’s Share of Costs.**—

(1) **Capital projects.**— A grant for a capital project under this section may not exceed 80 percent of the net capital costs of the project, as determined by the Secretary.

(2) **Operating assistance.**— A grant made under this section for operating assistance may not exceed 50 percent of the net operating costs of the project, as determined by the Secretary.

(3) **Remainder.**— The remainder of the net project costs—

   (A) may be provided from an undistributed cash surplus, a replacement or depreciation cash fund or reserve, a service agreement with a State or local social service agency or a private social service organization, or new capital; and

   (B) may be derived from amounts appropriated to or made available to a department or agency of the Government (other than the Department of Transportation) that are eligible to be expended for transportation.
(4) **Use of certain funds.**— For purposes of paragraph (3)(B), the prohibitions on the use of funds for matching requirements under section 403(a)(5)(C)(vii) of the Social Security Act (42 U.S.C. 603 (a)(5)(C)(vii)) shall not apply to Federal or State funds to be used for transportation purposes.

(5) **Limitation on operating assistance.**— A recipient carrying out a program of operating assistance under this section may not limit the level or extent of use of the Government grant for the payment of operating expenses.


**References in Text**


**Prior Provisions**