

CHAPTER 7

OPTIONS FOR NATIONAL TRANSIT POLICY

The purpose of this chapter is to formulate alternative courses of action for resolving many of the issues named in the previous chapter. That chapter described measures that could be taken independently to address each of the major problems affecting community planning for mass transit. This chapter takes the next logical step. .

Complex interrelationships exist between many of the problems and their potential solutions. Attempts to remedy some of the issues also seem likely to affect -- positively or negatively -- one or more other issues. Conversely, some reform measures would have to be pursued jointly to be feasible. One particularly effective way to accommodate these interrelationships would be to employ a combination of measures designed to implement a particular national policy.

Within the framework of general guidelines derived from the findings of the nine case assessments, this section sets forth four broad policy options for improving mass transit programs that could be considered by the Congress. Each package of policies contains some of the policy initiatives described in the preceding chapter. The general relationship of those individual initiatives to the four policy packages is reviewed in the concluding section of this chapter.

The four policy options can be summarized as follows:

- Policy Option A -- Maintain the present mass transit policy and program. This policy requires no major changes in mass transit legislation and is independent of potential changes in policy regarding highways, energy, environment, and other areas of concern.
- Policy Option B -- Strengthen the national mass transportation program. This policy would give much higher priority to mass transit programs, but it would not be dependent upon restrictive policies concerning automobile use, energy conservation, and environmental protection.
- Policy Option C -- -Strengthen and create a policy-oriented balance among all forms of transportation, particularly in urban areas. This policy aims at establishing a multimodal approach to transportation and specifically addresses conservation of energy, environmental enhancement, and other considerations of national priority.

- Policy Option D -- Strengthen comprehensive community development programs, making multimodal planning and development an integral element of community development. This policy gives urban growth managers and land use planners the decisive role in determining the characteristics of the urban transportation system.

The range of policies is not exhaustive and they are not mutually exclusive. They represent different degrees of potential effectiveness in shaping the community transit planning process to conform to guidelines for financing approaches, institutional arrangements, and technical procedures developed during the course of the assessment.

Each policy is discussed in three parts. The first constitutes an overview description of the policy. The second is a more detailed discussion of its constituent parts, and the third is a summary assessment of the policy option.

POLICY OPTION A. Maintain the Present Mass Transit Policy and Program

Description

This policy option calls for taking steps to improve transit planning under the current UMTA program. Federal assistance would be provided under current legislative authority, although due to inflation, funding levels might decrease in real dollar terms. Currently evolving policies for allocation of the available funds -- involving new requirements for the conduct of technical planning and relationships between regional planning and operating agencies -- would be implemented. -

Policy A would aim to achieve the objectives of current national transportation policy as it relates to mass transportation.

Discussion

Goals and objectives. Even within the framework of the existing transit program, important steps could be taken to remedy some of the problems identified in the nine metropolitan areas studied. One of the most significant steps would be to clarify the program's goals.

The absence of clearly defined goals and objectives seriously weakens the present program and makes it difficult to devise a rational system for allocating Federal financial support for mass transportation. The lack of explicit Federally established objectives and measurement criteria has led to varying degrees of confusion and other difficulties in almost all of the cities surveyed.

To reduce these difficulties% Federal administrative policy-makers could develop more explicit objectives and criteria to measure progress toward the achievement of Congressionally established policy. This would provide a sound base upon which to mobilize resources and evaluate the effectiveness of the expenditures.

Although UMTA has not established explicit objectives, the recently proposed policy for major urban mass transportation investments could provide the impetus for conducting further goal-setting and evaluation procedures. UMTA is calling for the recipients of capital grants to use cost-effectiveness techniques to evaluate alternative plans for achieving locally established objectives, and to develop plans that can be implemented in increments.

The overall effect of this approach could be beneficial, so long as the program is administered appropriately. The process of evaluation might lead localities and UMTA to develop far more explicit statements of goals, along with realistic criteria to measure how tile goals could be achieved. In the long run this latter course might be able to provide the basis for a more effective and efficient national policy for mass transit.

^o Financial aspects. The major financing issue presented by Policy A concerns whether present authorizations will provide sufficient funds to carry out the transit program's 'objectives. The National Transportation Assistance Act of 1974 increased support for the mass transit program by authorizing \$7.825 billion for capital expenditures over a six-year period from 1975 to 1980, and \$3.975 billion for the same period for either operating cost subsidy or capital improvements at local discretion.

Maintaining the existing mass transit policy and program, however, will not significantly increase and might in fact decrease Federal assistance in constant dollar terms. While there is no specific cost-price index for transit capital facilities and rolling stock, other appropriate indices indicate that increases in *Federal* capital grant funds have not kept pace with inflation. In addition, the \$300 million of Federal funds made available for the first time in fiscal year 1975 for operating deficits is less than the increase in total national operating deficits between 1974 and 1975. Thus, depending upon rates of inflation between 1975 and 1980, the programed increases in capital and operating assistance funds may decrease in constant dollar terms. Present policy makes no provision for establishing levels of funding and financial mechanisms commensurate with the objectives to be achieved.

The NMTA Act of 1974 improved the stability and continuity of the existing mass transit policy and program by adopting an allocation formula for portions of the authorized funds and by providing contract authority. Thus, local governments are assured of the **exact** amounts they will receive each year over the five-year period for the formula grant funds.

Existing policy and programs, however, continue the discretionary authority of UMTA to allocate capital grant funds, which detracts from the continuity and stability needed for large multi-year public improvement programs. Under the current discretionary program, incentives for long-term, regional systems will remain in effect.

One other financial issue cannot be addressed under present policy. Although the Federal-Aid Highway Act of 1973 has alleviated the pressure to achieve more flexibility in a local area's ability in the use of funds for either highways or transit, a considerable 'disparity still exists between the size of the sums available for the two modes of transportation. Especially if the UMTA program proves unable to meet the demand for aid to transit, unnecessary competition between the two modes will persist in the future.

Institutional aspects. The intent of current administrative policy is to promote closer coordination among regional planning agencies and transportation modal agencies. The experience in the metropolitan areas indicates further steps must be taken under Policy A if the goal of coordination is to be achieved.

Two recent Federal actions have tended to emphasize the role of the regional planning agency. The 1974 NMTA Act called for a comprehensive transportation planning process identical to the requirements of the Federal-aid highway program. Earlier, the 1973 Federal-Aid Highway Act led DOT to issue a new administrative requirement for designating a single Metropolitan Planning Organization to channel Federal capital grant funds to regional transit and highway organizations and prepare a joint transportation improvement program.

Whether the new MPOs will improve coordination is questionable in view of the considerable competition between regional and local agencies over responsibility for transit programming and priority setting functions. Most MPO designations have gone to regional comprehensive planning agencies, and most of these agencies are formed by mutual agreement among member local governments

and agencies. Most do not have statutory power to tax, finance, or administer programs. In contrast, most agencies with responsibility for operating transit systems do not have the authority to plan, develop, and finance new, expanded, or rehabilitated systems.

Division of responsibility carries with it lack of accountability. Under the present policy and program, most of the metropolitan areas must seek biparty or multiparty approvals for planning, financing, and implementation. The Federal requirements providing for accountability through the MPO ignore the realities of the decisionmaking process.

Federal administrative policy and required process cannot convey to regional organizations a decisionmaking authority and responsibility they do not have by statute. However, the Federal program could be adapted to penalize regions that do not act on their own to structure an effective decisionmaking forum, and/or reward regions that do. The latter course would be politically more acceptable.

If, under Policy A, MPOs with insufficient statutory powers continue to be recognized, the current lack of effective integration between land use planning and transportation planning may be perpetuated, regardless of the formal coordination that might occur.

Technical planning considerations. The Urban Mass Transportation Administration's planning requirements until recently listed the types of studies and analyses that were involved in the planning process. They did not stipulate specific procedures or require that a detailed analysis and evaluation of alternative courses of action be the basis for transit system selection, funding, and implementation.

Over the past two years, UMTA's planning requirements have become more rigorous, particularly since the requirement for alternatives analysis and evaluation based on cost-effectiveness was published in recent months. The actual procedures for this new policy still are being developed.

The analysis of alternatives and evaluation of cost-effectiveness can bring more discipline to the planning process, providing evaluation takes into consideration a defined and measurable set of objectives that give evenhanded consideration to the tradeoffs involved in selecting one alternative over another. UMTA defines the evaluation to take into consideration a full range of goals and criteria.

UMTA also could amplify its guidelines for citizen participation under the current program and thus strengthen another aspect of the technical planning process. Finally, it could pursue the necessary research and development to improve forecasting methodology.

Summary Assessment

Maintaining present national mass transit policy and programs will continue developments of the last few years on a reasonably stable basis, but it will not provide for significant improvement and expansion of mass transit systems and services. Development of improved mass transit could be slowed if the rate of inflation is greater than the incremental increases in both capital and operating assistance funds. The state and local governments are not likely to provide the extra amount that would be needed; inflation hits them harder than it does the Federal Government because their revenue sources are more limited.

In addition to these shortcomings in the realm of financing, Policy A would have difficulty correcting other deficiencies in the current program. Confusion will continue if no clear definition is made of what mass transit is to accomplish, of how much and what kind should be purchased, and of who pays for it. State, regional, and local agencies would continue to compete for responsibility unless they acted on their own initiative in response to Federal incentives to bring order to these institutional conflicts.

Policy A does have the potential to improve the quality of the technical planning work. Rigorous analysis of alternatives and evaluation of different courses of action can and should be a part of any policy option.

POLICY OPTION B: Strengthen the National Mass Transit Program

Description

This policy would give priority to the development of the nation's mass transit system independent of other public policies. The policy would aim to mobilize financial resources and streamline institutional mechanisms and technical planning processes in order to expand the Federal mass transit program and provide increased transit facilities and services to the nation's urbanized areas.

In pursuit of Policy B, goals and objectives would be established that emphasize providing increasing service at lower cost to riders without giving significant weight to social, economic, and environmental goals. The Federal Government would provide the bulk of the increased capital and operating costs. The transit operating agency would have primary institutional responsibility on the state, regional, and local levels. Technical planning requirements would be somewhat simplified.

To assure the policy is implemented, UMTA and the regional or local agencies would be required to develop plans and time-tables for incremental system and service improvements in order to achieve the objectives by a target date.

Discussion

Goals and Objectives. An essential strategy for strengthening and expanding mass transportation would be to establish a precise set of goals and objectives for transit improvement. Specific objectives would be established for increasing transit ridership by certain percentages depending upon trip purpose, time of day, and origins and destinations within the metropolitan area. Objectives would include specified levels of service.

The new goals would give priority to transit improvement over other national goals, such as those involving social welfare, community development, energy conservation, and environmental protection. In providing expanded service in combination with fare reductions, on the other hand, Policy B would tend to respond to current goals for providing mobility to the transit dependent (excluding the handicapped).

The establishment of such unitary objectives would focus attention on a readily comprehensible policy and, assuming broad public support, would assist in marshaling resources to carry out the program. Clear and simplified sets of objectives also would be susceptible to periodic measurement and evaluation to determine how resources should be allocated.

Financial aspects. To an extent that would depend on fare levels established and the extent of service improvements, the immediate financial effect of strengthening and expanding mass transportation would be an increase in operating deficits. Due to economic realities, the Federal Government would have to subsidize the increase.

Neither local, regional, nor state governments have the financial capacity to increase their support for transit. The case studies of the nine cities, as well as information readily available on other metropolitan areas, demonstrate that transit agencies and local governments have exhausted their own sources of revenue to support mass transit and increasingly have turned to the states for financial assistance. Most states also currently are facing severe financial difficulties because of economic conditions and are increasing taxes and curtailing services.

The amount of operating cost increase would depend upon the fare levels established. An indication of the effect can be *taken* from the experience of Atlanta, Georgia, when MARTA reduced fares

from 40 cents to 15 cents (and, at the same time, improved Service). The system experienced a 28% increase in ridership (along with a dramatic increase in operating costs) .

Analysis indicates that adoption of a 15-cent fare nationally would increase operating deficits about \$1 billion based upon present transit capacity and levels of service. This increased ridership, however, would require increasing levels of service by approximately 15-20%.

The option of administering funds under a formula grant program would be open under this policy. The formula could incorporate incentives for achieving the policy's objectives and could permit greater flexibility between capital and operating expenditures.

Institutional aspects. Strengthening and expanding mass transportation in line with policy objectives of increasing ridership and subordinating social and community development goals would place primary institutional responsibility on the transit planning and operating agency at the state, regional, or local level. Strong financial incentives could be offered to encourage states and localities to provide the agency making programming and operations decisions with an assured source of revenue for the local share.

Giving the transit agency clearcut responsibility for planning, programming, setting priorities, and budgeting would overcome much of the confusion and conflict among regional and local agencies. It would retard the evolution of multimodal planning, however.

This would present an obstacle to achieving the policy's purpose. Significant increases in ridership and expanded levels of service would have some effect upon automotive traffic, but, more importantly, they would require modifications in traffic management in order to accommodate the increased number of transit vehicles for all transit systems except those having exclusive grade-separated rights-of-way.

By expanding the definition of facilities eligible for capital grants to include real estate in the vicinity of station sites and transit corridors, following the precedent set in the 1974 legislation,^{1/} Policy B could expand the opportunities for

1/ National Mass Transportation Assistance Act. Public Law 93-503, Section 104(b); 49.U.S.C. 1602.

coordination between transportation investment and service, on the one hand, and land use planning, development, and management on the other hand. Except in this limited way, however, the policy would not be conducive to genuine integration between transit and land planning and development.

Technical planning considerations. In implementing Policy B, the policies that UMTA has developed for transit planning and decisionmaking would have to be altered somewhat, but no changes in procedures for analysis of alternatives and evaluation of cost-effectiveness necessarily would be required. The improvements discussed under Policy A could be applied also in Policy B.

The technical planning requirements would be somewhat simplified by reducing the importance of evaluation plans in light of social considerations and relationship to community development plans.

Summary Assessment.

The policy option to strengthen and expand mass transportation through fare reduction or elimination and expansion of service can significantly increase transit ridership. Private sector savings would tend to offset the high cost of public funds as drivers switch to transit.

The analyses contained in a companion volume of this study, Energy, the Economy and Mass Transit, clearly indicate that fare reduction and expanded service are the most productive of all transit *incentive* concepts examined. The adoption of this policy option would not result in significant savings in oil-based energy, but would have environmental benefits and would offer higher quality and less expensive transit service to the transit dependent.

placing the transit agency in control of decisionmaking would overcome much of the confusion and conflict among regional and local agencies. However, the policy would retard the evolution of multimodal planning and it would be unable to bring about a broad-scale integrated approach to transportation and land use planning.

The policy would require a number of legislative changes. The policy may be more likely to win acceptance than an approach involving constraints on auto use or sharing of highway revenues. On the other hand, it may have difficulty gaining support because it would bypass a number of public environmental goals.

Policy Option c: Strengthen and Create Policy-Oriented Balance Among All Forms of Transportation

Description

The policy option to strengthen and create a policy-oriented balance among all forms of transportation, particularly in urban areas, specifically is intended to create transit incentives and automobile disincentives. This policy alternative is intended to fundamentally shift the priority and emphasis away from public investment in facilities for private automobiles and instead place priority on expansion and improvement of mass transportation.

This policy option would require significant changes in Congressionally enacted policy relating to mass transit, highways, Federal taxation, and energy conservation.

The significant results which can be achieved by a deliberate policy of transit incentives and automobile disincentives are discussed in detail in another report in this study, Energy, the Economy and Mass Transit.

Discussion

Goals and objectives. The establishment of goals and objectives for this policy option would rely heavily upon national objectives for energy conservation and environmental enhancement. Specific objectives would be established for both transit and highway facility development and system operations, but their policy base would depend upon the allocation of energy for transportation as compared with other energy requirements.

The goals and objectives established as a matter of national policy would be given much more weight and priority than those established at the state, regional, or local level because they would be based upon the conservation and allocation of a scarce national resource.

Financial aspects. Federal transportation funds would be combined, a relatively greater portion would be devoted to transit, and auto disincentive programs would be established to generate additional revenue.

Placing the highway and transit programs on a joint funding basis would improve the efficiency and economy of Federal transportation spending. For one thing, joint use of facilities would be encouraged. Secondly, although increased emphasis on mass transportation would require significantly larger levels of Federal investment, for the reasons described in the discussion of Policy B, the total Federal assistance required under Policy C would be no greater than the sum of the existing transit and highway programs, plus the additional revenue from auto disincentive programs. The larger urban areas would require relatively less highway funding, partly because of the impact of auto disincentives.

The analyses in Energy, the Economy, and Mass Transit, 'indicate that increasing the cost of gasoline and levying a charge on commuter parking, particularly in the central business districts of metropolitan areas, are the two most effective means of creating disincentives to the use of private autos through pricing policy.

The policy-oriented development of a balanced transportation system would not have any significant effect upon the financial requirement for highway facilities in exurban and rural areas, where the provision of extensive mass transit services would be extremely costly and would not result in a significant diversion from private transportation.

The entire program could be administered on a formula allocation basis, with a relatively small discretionary fund to support large-scale transit development programs. Flexibility of spending between operating and capital costs could be permitted.

Institutional aspects. This policy option would encourage integration of transportation planning and facility development at all levels of government.

The Federal Government would play a stronger role in planning, programming, and budgeting than in any of the other policy options. The fundamental policy rationale is based upon energy conservation and allocation, and these decisions are best made at the Federal level.

The major shift in emphasis between public transportation and automobiles likewise would significantly shift the roles and responsibilities of highway and transit agencies at all levels of government. The policy encourages modal institutions at all levels of government to merge and assume multimodal responsibilities or at least, to develop more thoroughly integrated working relationships.

Channeling a large amount of Federal transportation aid to a local or state agency, accompanied by explicit criteria governing the purposes the funds are to achieve, would provide a strong incentive for the agency to set priorities among area highway and transit projects. In addition, more direct, financial incentives could be offered to encourage one agency to assume this kind of effective lead role.

Technical planning considerations. This policy option would respond to the same kinds of improvements in the technical planning process described in the discussion of Policy A, although new methodologies might be necessitated.

Policy C would encourage greater emphasis on low-capital alternatives because decisionmakers would be able to implement them. Under the current program transit decisionmakers must negotiate with street and highway agencies to be able to put traffic management improvements into effect.

The policy would encourage the Federal Government to develop guidelines describing planning methodologies that provide information on the comparative advantages and disadvantages of investing in facilities for the automobile and transit systems. Decisionmakers will want to understand these tradeoffs as a guide for allocating resources among highway and transit projects. Because Policy C emphasizes energy and environmental goals, the methodologies for comparative analysis should be oriented to these factors.

Planning procedures and methodologies also should be designed to take into account the probable changes in land use and community development that inevitably would result from such significant changes in national transportation policy. With energy conservation as a dominant factor in community growth and development, historic patterns of residential and employment locations would be altered.

Summary Assessment

This option would carry out systematically as a matter of national policy the experience produced by the oil embargo in late 1973 and early 1974. It would not involve a sudden shift away from reliance on *petroleum* for transportation purposes, which would have disruptive consequences, but it would recognize the eventual limits of oil supply, and gradually shift to less energy-consuming modes of transportation.

Systematically and over a relatively short period of years, this policy option would essentially reverse the trend in urban transit versus private auto use. It would provide sources for the additional Federal financial aid to transit. It would permit an improved technical planning process. It would respond to popular interest in environmental enhancement and energy conservation.

The principal obstacle to its accomplishment is the difficulty of gaining political consensus for a program this sweeping in scope and effect. The approach would require significant change in Congressionally enacted policy relating to transit, highways, Federal taxation, and energy conservation, and it would significantly shift the roles and responsibilities of highway and transit agencies at all levels of government.

However, such broad changes are necessary for some of the critical issues in current transit planning to be addressed.

POLICY OPTION D: Strengthen Comprehensive Community Development Programs, Making Multimodal Planning and Development an Integral Element of Community Development

Description

This policy would make urban transportation subordinate to urban growth management and land use planning objectives. Transit would be considered a support service similar to water, sewers, or another element of the community infrastructure. This policy option and planning concept is the one practiced most frequently in many countries throughout the world and specifically in Europe.

The option would give priority to land use and community development goals oriented toward minimizing the need for transportation and limiting the length of the trips that would be necessary.

Institutional Aspects. Policy D would fundamentally alter the relationship between transportation agencies and land use planning and development. Transportation agencies would not make policy or decide upon plans for transportation facilities and services. Instead, they would play a technical support role in designing, constructing, and operating the transportation system, which would be selected as an integral part of a land use plan.

The unit or agency of government charged with the responsibility for growth planning, development, and management would make transportation decisions in the same way as it would make decisions about other utility support systems. A regional unit of government or agency would have the authority and responsibility to make decisions over aspects of land use that are regional in character.

Policy D would in effect encourage the creation of metropolitan governments. Land use planning agencies at the city or county level would be able to assume the general development planning and administration responsibilities necessitated under the policy, but this is unlikely except in single-county or city metropolitan areas with a tradition of strong leadership at those levels of government. In these cases, the coupling of the necessary statutory powers to the new comprehensive responsibilities of planning agencies could be expected to occur without issue. In other areas where a gradual transfer of planning (as distinguished from implementing) authority to regional bodies, including regional transportation agencies, has been occurring over the past two decades, the new responsibilities under Policy D logically would be taken on by the regional planning organization.

Responsibilities for comprehensive growth management at the regional level would require shifting of numerous statutory authorities from the local to the regional government. Although the Federal Government may not be able to accomplish this shift directly, the availability of Federal funding for such purposes would provide a strong inducement for states and local governments to make the necessary statutory changes.

Institutional changes also would occur at the Federal level. Federal transportation agencies, as well as other Federal agencies with specific program responsibilities, would assess comprehensive development plans in relation to national priorities. They would no longer carry out detailed oversight and step-by-step approval of the planning process.

Technical planning considerations. The technical planning requirements to support this policy option would not be significantly different from those widely in use today for transportation planning, as they might be modified and improved in the ways described for Policy A and Policy C.

A recent worldwide survey of transportation planning requirements revealed that most countries utilize planning methodologies and techniques originally developed in this country following World War II and subsequently improved and refined. In many nations, and specifically in European countries, these techniques are employed in a planning process that for years has considered transportation just one element of a comprehensive plan.

Summary Assessment

The policy option of considering transportation an integral and subordinate element of a comprehensive land use and development plan has considerable potential to overcome some of the problems of resource allocation, scattered land use patterns, energy waste, and inefficient transportation systems. The United States is one of the few highly developed countries that separates transportation planning to a major extent from general land use and development policies and plans.

Implementing the policy would be difficult due to the broad-reaching nature of the reforms and the fact that, historically, this country has not exercised much public control over land use. However, a base of political support for development controls and planning has been evolving in recent years and is reinforced by recent awareness of the desirability of reducing energy consumption.

UNPACKAGING THE POLICIES

The descriptions of the alternative combinations of policies highlight the changes in the Federal transit program that would be necessary to achieve particular national objectives. Most of these changes involve one or more of the policy initiatives described in Chapter 6, and the policy options thus offer remedies for the major issues identified during the course of this study. However, the policy options do not expressly discuss each of the individual policy initiatives described in Chapter 6, or explain when these initiatives could be pursued independently.

In general, Policy A describes all the initiatives that could be taken under the present program to resolve the issues described in Chapter 6. Policy B addresses additional issues requiring availability of additional transit money for resolution. Policy C answers the problems created by lack of joint administration of transit and highway programs, while Policy D addresses the need for integration of transit and land use planning.

This section looks at the question from another perspective. It briefly reviews the conditions under which the policy initiatives described in Chapter 6 would be feasible and fruitful. For convenience, the same heading categories are used: institutional policies, technical planning process policies, and financial policies.

Institutional Policies

The responsibilities of organizations involved in transit activities could be clarified, and a lead agency identified, under any of the options. In any case, appropriate action at the state or local level would be needed to provide the necessary shifts in statutory authority.

However, a Federal initiative would have greater impact under policies C and D, which would provide the example of a consolidated transportation agency at the Federal level and could offer a substantial sum of Federal money allocated under a formula with built-in incentives.

Integrated transit and highway decisionmaking would become possible only under policies C and D; and integrated land use and transportation decisionmaking could be achieved only under Policy D. In general, whereas under each option the lead agency could be any of the four alternatives cited in Chapter 6 (local government, transit operator, state agency, or metropolitan planning agency), the state agency alternative is most likely under Policy C, and the metropolitan planning agency alternative is unlikely to be a possibility except under Policy D. Inasmuch as policies C and D are more likely to lead to a strong lead agency and thus a rationalized decisionmaking forum, these options would bring the greatest gains in accountability.

Even at present, however, Federal guidelines could be modified to recognize the need for structuring decisionmaking processes--genuine decisionmaking processes, not just at the MPO level--to be close to the elective review process. Federal guidances could explain the various alternative measures to gain accountability! and their consequences, more carefully. Under any of the policy options, Federal guidelines could be provided outlining procedures that will provide the opportunity for citizen participation.

Technical Planning Process Policies

Improvements 'in the technical planning process would be possible under any of the policy options. Basically, UMTA needs to clarify how it will administer its proposed policy on major mass transportation investments in a way that meets the criticisms that have been made, and to augment these guidelines with more explicit descriptions for how to set goals and use measurable criteria in evaluation.

In a number of respects, the technical planning process could be significantly improved if highway and transit programs were merged at all levels of government, an advantage that would be provided under policy options C and D. This step would encourage more serious consideration of transit options that use highways. It also would permit analysis of transit-plus-highway alternatives, in contrast to transit-only alternatives! and open the door to a serious examination of whether integrated surface transportation programs meet particular national goals.

These improvements also would be possible under Policy D. This policy would provide the additional benefit of genuinely integrating land use and transportation planning.

Transit Financing Policies

The only policy initiatives in the financing category that could be pursued under the current program would entail modest use of financing incentives for obtaining existing Federal goals. Broader restructuring of the national goals and criteria for use in developing financing incentives (or in building incentives into an allocation formula) would be possible under policies B, C, and D.

Policies B, C, and D all would provide opportunities for increasing the funding levels for transit, increasing the flexibility between capital and operating purposes, and for allocating a greater portion of the funds by formula. These changes would address many of the financing issues described in Chapter 6.

However, a merging of the transit and highway program would be necessary to permit meeting national goals for using highways

to provide transit capacity, to allow development of a more equitable allocation formula, and, in general, to provide greater economic efficiency in Federal transportation spending.

In conclusion, a great many issues affecting the conduct of transportation planning could be addressed at the present time, under the current program, and without Congressional action. Most of these issues involve the technical process of transit planning--the steps taken by planners to generate the information needed by decisionmakers. However, to remedy the fundamental institutional and financial issues that influence how that technical information is used (and, to a certain extent, its content), basic changes must be brought about through *Congressional action and related initiatives at the state and local levels.*