

Transit Ridership Incentive Program (TRIP) Adjustments SB1326 - Senator McClellan/ Senator McPike HB 2338 - Delegate McQuinn

Background:

The Transportation Omnibus bill (HB 1414/SB 890) was signed into law in 2020. It was a momentous piece of legislation that significantly changed the way transportation is funded. Now all transportation sectors share in all transportation revenue sources with various assigned percentages. As revenues rise or fall, each transportation sector is affected. It has been advantageous for public transportation.

One of the innovative transit programs that was created as part of the 2020 Transportation Omnibus was the Transit Ridership Incentive Program or TRIP. The purpose of this program is to fill the void in transit funding for projects or concepts that do not fit neatly into either the capital or operating buckets. The TRIP program is funded from 6 percent of the Commonwealth Mass Transit Fund which amounts to \$26,111,455 for FY 2023.

The first two eligible uses of TRIP funding were:

- <u>Regional Routes</u>: To support the regional connectivity of urban areas with a population over 100,000;
- <u>Zero or Reduced Fare</u>: To reduce the barriers to transit use for low-income riders via the zero or reduced fare program.

The program guidelines were adopted by the Commonwealth Transportation Board based on prepandemic ridership data. COVID-19 kept many Virginians from the workplace which had a detrimental impact to transit ridership for commuting. Nevertheless, ten transit agencies from across the Commonwealth have applied for and received TRIP funding to expand utilization of transit. Their TRIP grants step down state funding in each year requiring an increasing local share in each of those years. Reduced and zero fare grants extend for 3 years and regional connectivity grants are for 5 years.

Emerging Needs:

Transit ridership has been building back toward pre-pandemic levels but full utilization of the available TRIP grant funds has not occurred. New demands for funding have become apparent with the recent release of <u>Transit Equity and Modernization Report</u> (the "Report) called for by 2021's <u>HJ542</u>.

Many of the report's recommendations call for project funding that is not covered by current DRPT transit operating or capital grant funding.

The Report calls for ways to make transit access safer and healthier. By providing sidewalks, benches, shelters, improved ADA accessibility and other infrastructure, more riders will choose

transit as a viable, dignified mode of transportation to get to work, school, medical services, or food shopping.

The Report also calls for a state transition plan to convert transit agency fleets and infrastructure to zero-emissions in the near-term. There is much preparation needed as agencies must strategically plan for changes in infrastructure and workforce needs.

Proposed Amendments:

SB 1326 amends Code section 33.2-1526.3 to use a portion of the TRIP funding (not to exceed 30%) to improve the accessibility of bus stops and facilities and to assist transit agencies transition to zero-emission bus fleets and infrastructure.

In addition, the Commonwealth Transportation Board shall develop guidelines for matching funds including private grants and donations.

Initiative Goals:

- 1) Expand basic transit infrastructure such as shelters, seating, ADA accessibility, and lighting to provide safety measures and access consistency across Virginia.
- 2) Transit agency assistance to conduct the necessary studies to effectively plan for a transition to zero-emission and low-emission transit buses, including as a part of a transit strategic plan or a transit development plan;
- 3) Training programs for transit workforce to implement, operate, and maintain zero-emission and low-emission transit buses; and
- 4) Identification of charging infrastructure needs and assistance with coordination with federal, state, and local government, school, and private charging infrastructure centers.

Initiative Funding: A share not to exceed 30% of the annual TRIP allocation. (\$25,900M in FY 23)

For more information:

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