

MODERNIZING PUBLIC TRANSPORTATION

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WHY IT MATTERS

Public transportation provided more than 410,000¹ trips per day across the Commonwealth in Fiscal Year 2025. Over 40 agencies serve small and large communities in all parts of Virginia. Those trips connected students to school, patients to medical appointments, grandparents to grandchildren, and hardworking Virginians to jobs and other economic opportunities.

Just as importantly, public transit helps keep life affordable for everyday Virginians while reducing transportation's impact on the environment. In Virginia, transit use cuts fuel consumption by more than 14 million gallons and reduces carbon emissions by more than 260,000 metric tons annually. Compared with driving a private vehicle, taking public transit costs about 40 percent² less for the same trip—and about 80 percent less than using a ridesharing app.³

Public transportation also eases traffic congestion, particularly during peak travel times, reducing the need to build expensive roadway capacity that will be underutilized most of the time. To replace the capacity provided by our buses, trains, and ferries, the Commonwealth would need to spend more than \$2 billion on new and expanded roads, plus tens of millions of dollars every year in maintenance costs.

Public transportation aids economic competitiveness, helping employers access larger labor pools, reducing barriers to workforce participation and supporting vibrant commercial corridors.

Public transportation is also much safer than driving. In 2024, over 900 people died in Virginia from automobile crashes⁴ compared to less than 10 transit related deaths according to publicly available reporting.

CURRENT LANDSCAPE

With nearly 40 percent of Virginia households having one or fewer vehicles, one in five Virginians ages 16 to 54 lacking a driver's license, and the annual cost of car ownership now estimated at \$11,577, public transportation plays a critical role in keeping residents affordably connected to their communities. When transit agencies are forced to reduce service—such as eliminating a route or moving from buses every 30 minutes to every 60 minutes—the absence of a bus or a late bus can be more than a headache for vulnerable Virginians; it can mean risking their jobs and livelihoods.

Public transportation has been affected by numerous factors outside transit agencies' control, including skyrocketing health care costs, high inflation,

rising fuel costs, and tariffs. Some agencies have seen health care costs rise 40 percent in a single year and are now spending more on health care than on fuel for their buses.

Since FY 2023, the cost to operate and maintain a state of good repair has increased 25 percent,⁵ while state funding to support transit agencies has increased only 19 percent. Overall, state support as a share of transit agencies' total operating costs decreased from 24 percent in FY 2024 to 20 percent in FY 2026 and is projected to fall further to 17 percent by FY 2031.⁶

Inflation and current tariff policies have also increased the capital costs transit agencies face. For example, between 2019 and 2025, the average price of a 40-foot transit bus doubled. Since FY 2024, higher costs have contributed to \$132 million in unfunded transit capital requests, and the Commonwealth is projecting an additional \$428 million transit capital shortfall between FY 2027 and FY 2031. Much of these unmet capital needs are for maintaining the state of good repair of existing facilities and vehicles only, not necessary upgrades.

Virginia's transit infrastructure extends beyond vehicles and facilities to include thousands of bus stops. Many of these stops lack shelters, seating, adequate pedestrian access, lighting, ADA-compliant amenities, real-time passenger information, and protection from extreme heat and severe weather. Addressing these shortcomings can increase ridership, reduce heat-related health risks, and enhance personal security.

OPPORTUNITIES

To develop a cleaner, safer, more equitable transportation system, Virginia should focus on the following priorities for public transportation:

Virginia should increase and stabilize transit funding by establishing a goal for the Commonwealth to provide 25 percent of each transit agency's operating budget while identifying additional dedicated, sustainable, and recurring revenue sources to support both operating and capital needs. The Commonwealth should also expand regional funding opportunities and ensure that transit receives an equitable share of any new or increased regional transportation revenues. To better inform investment decisions, Virginia should develop and maintain a statewide transit state-of-good-repair database that tracks the condition, performance, and replacement needs of vehicles, facilities, stations, stops, technology systems, and other transit assets, providing policymakers with

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a comprehensive understanding of statewide capital requirements. In addition, Virginia should launch a statewide Transit Infrastructure Improvement Initiative focused on enhancing safety, accessibility, resilience, and the rider experience through investments in dedicated bus lanes, bus shelters, shade structures, lighting, ADA accessibility improvements, pedestrian

crossings, real-time passenger information systems, and other customer-focused amenities. The Commonwealth should establish statewide performance measures and reporting requirements to evaluate transit stop conditions, prioritize investments, and ensure equitable access to safe, comfortable, and reliable transit facilities for all Virginians.

TOP TAKEAWAYS

Public transportation keeps Virginians connected to jobs, education, health care, and family while reducing household transportation costs, traffic congestion, fuel use, and emissions.

Rising operating and capital costs are outpacing available state support, forcing transit agencies to make difficult decisions that can reduce service reliability for vulnerable riders.

Stable state funding, expanded regional revenue options, modernized passenger infrastructure, better asset tracking, continued **first-foot/last-foot** investments, expansion of dedicated bus lanes and other modernized passenger infrastructure, and expanded fare-free transit can improve mobility and safety, reduce pollution, and support economic competitiveness across the Commonwealth.

ENDNOTES

1. *Transit Performance Data Dashboard*. (n.d.). Virginia Department of Rail and Public Transportation. <https://drpt.virginia.gov/data/performance-measures/transit-performance-data-dashboard/>
2. *2025 Your Driving Cost: Fact sheet* [Fact sheet]. (2025, September 16). American Automobile Association. <https://newsroom.aaa.com/wp-content/uploads/2025/09/UPDATE-AAA-Fact-Sheet-Your-Driving-Cost-9.2025-1.pdf>
3. *Richmond area ride costs* (n.d.). Lyft inc.. <https://www.lyft.com/pricing/RIC>
4. 2024 Virginia traffic crash facts. (2025). Virginia Department of Motor Vehicles - Virginia Highway Safety Office. <https://www.dmv.virginia.gov/sites/default/files/documents/VA-traffic-crash-2024.pdf>
5. *Fiscal year 2026 six-year improvement program: Final program*. (2025). Virginia Department of Rail and Public Transportation. <https://syip.virginiadot.org/reports/310/12-FY26-FINAL-DRPT.pdf>
6. *MERIT Program Review: Operating and Capital Assistance*. (2025, October 6). Virginia Department of Rail and Public Transportation. <https://drpt.virginia.gov/wp-content/uploads/2025/10/October-2025-TSDAC-MERIT-Review.pdf>