

Public Transit - H.479 Testimony

SENATE TRANSPORTATION
COMMITTEE

APRIL 4, 2023

State of Vermont
Agency of Transportation



VTrans Public Transit Budget

GMT RURAL

- VTrans provides Rural (5311) FTA Federal funds. FY '23 included \$5.35M in FHWA and \$985K in State funds, non-capital
- VTrans contributes up to 80-85+% of operations costs with Federal and State funds

GMT URBAN

- Direct recipient of Urban (5307) FTA federal funds (\$2.73M). FY '23 included over \$4M in FHWA Flex and another \$2.3M in State, non-capital.
- VTrans contributes 55%-60% of operations costs with Federal and State funds.
- GMT FY '24 Urban budget already includes \$2.3M in State funds.
- Small Transit Intensive Cities (STIC funds) – thresholds contribute \$1.1M, met in part due to State funds and FHWA flex process.

H.479, Sections 8 and 9

1) Sec. 8 – One-Time Appropriation for Public Transit: Authorizes \$1M in one-time Transportation Fund monies for public transit, specifically for the Agency to provide to Green Mountain Transit: (1) for zero-fare service through January 1, 2024, with a resumption of the collection of fares from some passengers not later than January 1, 2024, and (2) to prepare for the transition to tiered-fare service (including the acquisition and maintenance of fare-collection systems) pursuant to a required plan. Also requires Green Mountain Transit to prepare a plan for the transition to tiered-fare service (some parameters of which are included in the T. Bill) and provide a draft of that plan to House and Senate Transportation by October 1, 2023, and a final version of that plan to House and Senate Transportation by December 1, 2023.

VTrans Response:

Fares

- 2 current systems in place – Rural and Urban, and VTrans contributes to both
- 2 current fare policies:
 - Zero-fares in Rural. \$500K cost, lower farebox recovery, higher handling costs, limited service. 1/3 of service was already zero-fare pre-pandemic.
 - Fares in Urban – staff and BOC/Authority decisions, larger gap to cover (\$2.2M), lower cost to handling, and increased farebox recovery. Relatively robust service compared to rural services.
- VTrans recommends \$500k in federal FHWA and \$250k with State funds from existing budget. Leaves \$150k from GMT fund reserves with an option to apply for MTI funds for \$100k.

VTrans Response: Fair Fare Plan

- Financial impacts of reduced fares for “needs” riders and higher fares for “choice” will impact ridership and revenues.
- Previous fare structure already allowed for reduced fares for elderly, ADA, and Universal access. Further identification and fare reductions may increase admin. costs, lower revenues, and add complexity to accessing services.
- Any projected fare reductions should be addressed with a plan to cover those lost revenues.

2) Sec. 9 – Recommendations on Funding Source for Local Match for Public Transit: Requires the Chittenden County Regional Planning Commission (CCRPC), in consultation with the Vermont Public Transportation Association and the Vermont League of Cities and Towns, to provide House and Senate Transportation with a written recommendation on a dedicated funding source for the local match required of public transit providers (statewide, not just Chittenden county) by December 1, 2023. NOTE: Needs to consider recommendations from a prior, statewide, CCRPC report.

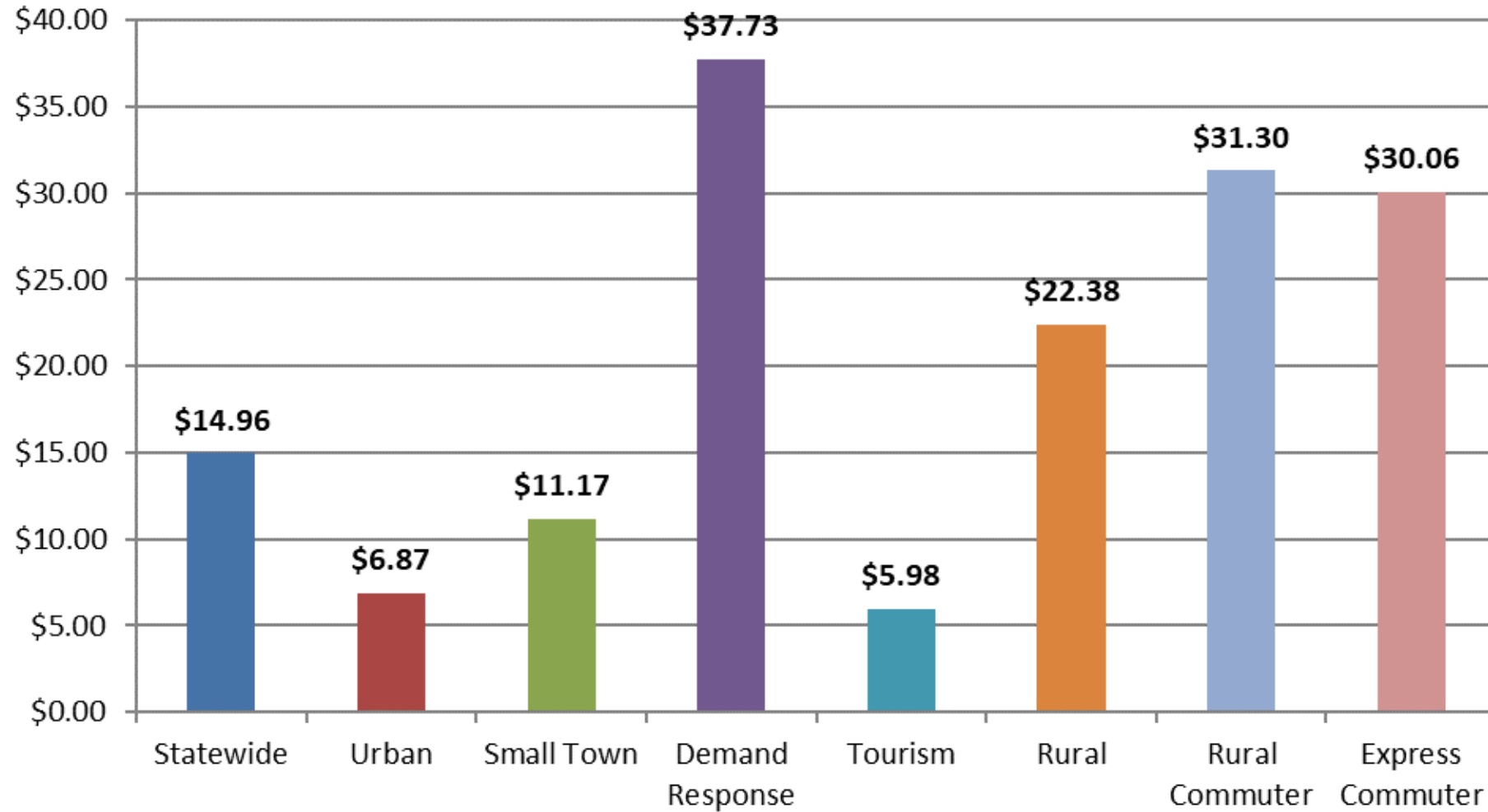
VTrans Response:

- What are the **revenue** goal(s) for these alternative funding approaches? Replace non-fed revenues to existing revenue levels, increase revenues, decrease administrative activity to collect from local sources, replace t-funds?
 - Last report added \$5M for an expansion of the demand response program to include a “mobility for all option” for those not currently eligible for scheduled trips.
 - “We All Pay A Little” vs. “Someone Else Pays”... national efforts and approaches (Washington D.C., Kansas City) rely on local and/or regional taxes and fees. Without fare increases, it has been challenging to identify other non-federal funds.

VTrans Response (continued):

- What are the transit **service** goal(s) for these alternative funding approaches? New, expanded service, or to sustain current services?
 - Current funding model can sustain rural services at this time. GMT Urban is in a different situation.
 - Transit organizations are testing microtransit service, new scheduling/dispatch software, Mobility for All pilot/Community rides, etc. Value and costs are unknown.
 - Costs of new service will likely be expensive (demand response) and limited in terms of trip generation.
 - Non-fed for match is one thing, but non-fed for 100% of service cost is an approach that has not considered.

Service Category Costs



VTrans Recommendation:

These planning efforts may be better used by a different study that fully considers the existing “braided service” model. This current system allows for the efficient and coordinated services between PT and NEMT.

- **Legislative Study to Assess Statewide Mobility Services:**The Agency of Transportation, in consultation with the Agency of Human Services, Division of Vermont Health Access, and the Vermont Public Transportation Association, will conduct an assessment of the current systems for delivering integrated public transit and Non-Emergency Medical Transportation services, currently termed the “braided service” model, to identify the benefits and risks thereof. The analysis shall include a review of other service approaches found throughout the US. Recommendations on the management of statewide mobility service design and management in order to make the transportation system as efficient, robust and resilient as possible, to be delivered to the House and Senate Committees on Transportation and the House Committee on Human Services and the Senate Committee on Health and Welfare no later than January 15th, 2024.

THANK YOU

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