



To: Chair Mazza and the Senate Transportation Committee
From: Jon Moore, General Manager
Date: April 4, 2022
RE: H.736 Written Testimony

The Green Mountain Transit (GMT) Board approved FY23 budget includes the restarting of passenger fares on July 1 which is projected to generate \$1.58M in revenue. Even with the restarting of passenger fares GMT must reduce its service by 4.6% to balance the budget unless additional non-federal revenues are provided.

H.736 includes \$1.43M in state funding for GMT to continue Chittenden County zero-fare service in FY23. **GMT can double this \$1.43M investment by using it to draw down the same amount of GMT's available federal funds.**

Based on how federal transit funding is structured \$1.00 in fare revenue pays for \$1.00 in expenses whereas \$1.00 in state funds pays for \$2.00 in expenses by matching federal funding.

If GMT does not receive the funding as included in H.736 it will restart collecting passenger fares and will be required to reduce service levels as planned. **If the funding as included in H.736 is provided, GMT would continue zero-fare service and would not need to reduce any service in FY23.**

Per V.S.A 24 § 5083 "It shall be the State's policy to make maximum use of available federal funds for the support of public transportation. State operating support funds shall be included in Agency operating budgets to the extent that funds are available. State policy shall support the maintenance of existing public transit services..."

GMT strongly supports the funding in H.736 to meet the intent of the State's policy to maximize the use of federal funds to support existing transit services while achieving the standalone economic development, social equity and climate benefits of continuing zero-fare service in Chittenden County in FY23.