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# Legislative Update

## Transit Service Delivery Advisory Committee

Andrew Wright, Manager of Policy,  
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Department of Rail and Public Transportation



# Infrastructure Investment & Jobs Act

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# Nationwide Funding

## (Dollars in Billions)

	FY21 (Actual)	FY22	FY23	FY24	FY25	FY26	TOTAL (FY22-26)
<b>Federal Transit Administration (Formula &amp; Discretionary)</b>	12.9	21.0	21.2	21.6	21.9	22.2	<b>107.9*</b>
<b>Federal Railroad Administration (Discretionary)</b>	2.4	13.2	13.2	13.2	13.2	13.2	<b>66.0**</b>

\*Includes an additional **\$45B** over five years for public transportation

\*\*Does not include **\$36B** over five years in fully authorized funds

# Discretionary Grant Funding

- **Capital Investment Grants**
  - **\$3.0B** annually (**30 percent** increase)
  - New and expanded rapid rail, commuter rail, light rail, streetcars, bus rapid transit, and ferries, and corridor-based bus rapid transit investments
- **Bus & Bus Facilities and Low or No Emission Programs**
  - **30 percent** increase
  - Additional **\$1.1B** for Low/No Grants
  - Zero-Emission Applicant Projects must have a transition plan
  - Minimum **25 percent** for low emission vehicles and facilities
  - **15 percent** of Buses & Bus Facilities Program for rural programs



# Potential Opportunities



- **Currently in the CIG Pipeline:**
  - Fairfax County: Richmond Highway BRT
  - City of Alexandria: West End Transitway
- **Future CIG-Eligible Projects:**
  - NVTC: Envision Route 7 BRT
  - HRT: Norfolk LRT / BRT Extensions
  - GRTC: Pulse BRT Extensions
- **Bus and Bus Facilities and/or Low-No Programs:**
  - CAT: Maintenance Facility
  - Radford: Maintenance Facility
  - HRT: Bus Purchase/Replacement
  - PAT: Maintenance Facility
  - GRTC: Bus Replacement
  - HRT: Southside Operations & Maintenance Facility
  - PRTC: Bus Replacement
  - GLTC: Bus Replacement

# Formula Grant Funding

Formula Program (Section)	Recipients	Use
5307	Large Urban Agencies	Agencies receive funding directly for capital assistance (preventive maintenance)
5307 (Governor's Apportionments)	Small Urban Agencies	Agencies receive funding directly for capital and operating (apportioned by DRPT using FTA guidance)
5310	Human Service Providers	DRPT distributes via competitive grant program through MERIT prioritization process
5311	Rural Agencies	DRPT distributes for operating assistance and capital projects using MERIT prioritization process
5311(f)	Intercity Bus	DRPT receives funding for its Virginia Breeze service; DRPT studying 5 <sup>th</sup> route for implementation in 2023

# Formula Grant Funding



- **Formula Funding**
  - **Approximately \$640M** increase over the next five years
- **Highway Trust Fund**
  - **\$290M** in FY22 (26 percent increase)
- **State of Good Repair**
  - **\$950M** annually
  - WMATA/DC region: **6.3 percent** (\$60M annually)
- **WMATA “PRIIA” Funding**
  - Reauthorizes **\$150M** annually for eight years

# 2022 General Assembly Session

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# Grocery Tax Cut

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- **Governor Youngkin proposed full repeal of 2.5 percent tax**
  - 1.0 percent: public education
  - 1.0 percent: localities
  - 0.5 percent: transportation
- **House: full repeal**
- **Senate: partial repeal; maintains 1.0 percent tax for localities**
- **Senate & House considering plans to replenish funding for public education and localities with general fund dollars**
- **No plan to replenish transportation funding**
  - A loss of approximately **\$15M** in revenues for the Commonwealth Mass Transit Fund

# Statewide Bus Procurement

- **DGS is unable to issue a new statewide procurement for transit buses**
- **Contract conflicts with state law**
  - Requires manufacturers to obtain a manufacturer and dealer license
- **State requirements conflict with federal law**
  - Creates a geographic preference as part of the procurement
  - Compliance with state law would prohibit use of federal funds for bus purchases
- **Contract expired in May 2021**
  - Unable to procure nearly 400 buses in FY22 SYIP



# Statewide Bus Procurement

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- *Notwithstanding the provisions of subsection A of § 46.2-1508, any manufacturer or distributor of buses that sells buses to a local government authority or non-profit provider in the Commonwealth for the purposes of public transportation, as defined in 49 U.S.C. § 5302, shall not be required to obtain a manufacturers license from the Department of Motor Vehicles or a dealers license from the Motor Vehicle Dealer Board for such sales. For purposes of this item, "bus" means a rubber-tired automotive vehicle used for the provision of public transportation service by or for a recipient of federal or state funding allocated annually by the Commonwealth Transportation Board.*
- **SB 281 is currently before Governor for his consideration**
- **HB/SB 29/30 is currently in conference**

# Transit Ridership Incentive Program

- **Established in the 2020 General Assembly Session**
- **Currently, maximum of 25% can be used on reduced- or zero-fare projects**
- **Two bills propose changing how TRIP funding can be spent:**
- **HB 142 (McQuinn):**
  - Minimum 25%: reduced- or zero-fare projects
  - Minimum 25%: regional connectivity projects
  - Remainder allocated at the discretion of the CTB
  - Bill has received full approval of General Assembly
- **SB 342 (Barker):**
  - Minimum 25%: reduced- or zero-fare projects
  - Bill has received full approval of General Assembly



# Transit Ridership Incentive Program

- **SB 29/SB 30**
  - Contains \$10 million in general funds to the Transit Ridership Incentive Program to support projects focused on congestion reduction and mitigation through the provision of long-distance commuter route
- **HB 29/HB 30:**
  - No additional funding



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