



## 2021-23 State Budget Priorities

The Wisconsin Public Transportation Association (WIPTA) represents all of Wisconsin’s local bus systems, 45 shared-ride taxi services, and numerous partners and stakeholders. Based on WisDOT data, in 2019 Wisconsin’s bus systems provided nearly 60 million trips: 55% to work; 14% for education; 20% for shopping, tourism, and recreation; and 11% for medical visits.

The pandemic has taken a horrible toll on transit across the state. Thankfully, federal assistance by way of the CARES Act (Coronavirus Aid, Relief, and Economic Security Act), the CAA (Consolidated Appropriations Act of 2021), and the ARPA (American Rescue Plan Act) have been an enormous help. But without consistent funding into the future, public transportation across the state will find itself in a desperate situation once those funds are exhausted.

Over the next two years, getting employees to work, students to school safely, and making sure our residents have mobility for healthcare, shopping, and patronizing local businesses will be more important than ever.

### TRANSIT OPERATING ASSISTANCE

Since 2011, cuts to state mass transit aids have exceeded the increases. Inflationary costs alone result in nearly 20% less funding over the same period of time. This has resulted in increased costs to local government, reduced services, and the inability for our statewide transit systems to keep up with the needs of businesses and citizens around the state.

Before the unprecedented times of COVID-19, transit was an increasingly necessary and popular way for Wisconsin’s citizens to get to work, school, medical appointments, and even for social travel. Due to the pandemic, public transportation networks have been severely impacted with greatly reduced ridership and significantly reduced fare box revenue. The federal funds received have been a vital lifeline for every system, but they are not enough. As Wisconsin works to reopen, we know public transportation will play a critical role in rebuilding the economy.

***Wis. Stat. Ch. 85.20 Urban Mass Transit Operating Assistance Program Funding***

CY	Total 85.20	% Change	Tier A-I	Tier A-II	Tier B	Tier C
2011	\$ 118,309,200	3%	\$ 68,583,200	\$ 18,021,300	\$ 25,852,500	\$ 5,852,200
2012	\$ 106,478,300	-10%	\$ 61,724,900	\$ 16,219,200	\$ 23,267,200	\$ 5,267,000
2013	\$ 106,478,300	0%	\$ 61,724,900	\$ 16,219,200	\$ 23,267,200	\$ 5,267,000
2014	\$ 106,478,300	0%	\$ 61,724,900	\$ 16,219,200	\$ 23,544,900	\$ 4,989,300
2015	\$ 110,737,500	4%	\$ 64,193,900	\$ 16,868,000	\$ 24,486,700	\$ 5,188,900
2016	\$ 110,737,500	0%	\$ 64,193,900	\$ 16,868,000	\$ 24,486,700	\$ 5,188,900
2017	\$ 110,737,500	0%	\$ 64,193,900	\$ 16,868,000	\$ 24,486,700	\$ 5,188,900
2018	\$ 110,737,500	0%	\$ 64,193,900	\$ 16,868,000	\$ 24,486,700	\$ 5,188,900
2019	\$ 110,737,500	0%	\$ 64,193,900	\$ 16,868,000	\$ 24,486,700	\$ 5,188,900
2020	\$ 112,952,300	2%	\$ 65,477,800	\$ 17,205,400	\$ 24,976,400	\$ 5,292,700
2021	\$ 112,952,300	0%	\$ 65,477,800	\$ 17,205,400	\$ 24,976,400	\$ 5,292,700

**REQUEST:** WIPTA requests a 10% increase in mass transit aids.

### **PARATRANSIT AIDS AND SENIORS AND INDIVIDUALS WITH DISABILITIES AIDS**

Paratransit Aids and Seniors and Individuals with Disabilities transportation aids provide vital support to communities providing services to these vulnerable populations. To keep up with increasing costs, demand for services, and to weather long lasting pandemic impacts, a substantial increase in funding to these modest funds are necessary.

REQUEST: WIPTA requests a 10% increase in both programs.

### **MULTIMODAL GRANT PROGRAM/TRANSIT CAPITAL ASSISTANCE**

Capital projects and bus fleet replacement remain a critical priority for WIPTA. The uncertainty of federal funding coupled with growing needs in our local transit systems require a dependable and consistent solution.

WIPTA greatly appreciates the work over the last four years towards addressing the crisis level needs of our statewide bus fleet by allocating \$50.2 million of the approximately \$64 million in Volkswagen Settlement dollars to bus replacement. These grants will total 90 new buses, replacing vehicles aged past their useful lives, across the state. Despite the huge help from these VW funds, buses and facilities continue to age and state support going forward is still desperately needed.

REQUEST: Create a Multimodal Grant Program or a Transit Capital Program with \$10 million per year specifically allocated towards Transit-related capital projects.

### **LOCAL TRANSPORTATION FUNDING OPTION**

WIPTA supports statutory authority that would provide local units of government, individually or collaboratively, the ability to raise revenue for transit, infrastructure, and other transportation needs, particularly via local sales tax.

## **Transit Provisions Contained in the Executive Budget**

MASS TRANSIT OPERATING ASSISTANCE (LFB Memo p. 570, Item 3): Provide \$705,900 in 2021-22 and \$2,841,400 in 2022-23 to provide a 2.5% increase in mass transit operating assistance to each tier of mass transit systems for both calendar year 2022 and calendar year 2023. Specify that the increase in funding would be distributed as follows: (a) \$409,200 in 2021-22 and \$1,647,200 in 2022-23 for Tier A-1 (Milwaukee County); (b) \$107,500 in 2021-22 and \$432,800 in 2022-23 for Tier A-2 (Madison); (c) \$156,100 in 2021-22 and \$628,300 in 2022-23 for Tier B transit systems (systems serving a population of 50,000 or more that are not in Tiers A-1 or A-2); and (d) \$33,100 in 2021-22 and \$133,100 in 2022-23 for Tier C transit systems (systems serving areas with population between 2,500 and 50,000).

Set the statutory calendar year distribution amounts as follows; (a) \$67,114,700 for 2022 and \$68,792,600 for 2023 for Tier A-1; (b) \$17,635,500 for 2022 and \$18,076,400 for 2023 for Tier A-2; (c) \$25,600,800 for 2022 and \$26,240,800 for 2023 for Tier B; and (d) \$5,425,000 in 2022 and \$5,560,600 for 2023 for Tier C. It should be noted that while the calendar year statutory distribution amounts for each year would represent a 2.5% annual increase in transit funding, as recommended, the funding provided in the bill for 2022-23 would not fully fund the 2.5% increase for calendar year 2023. An additional \$705,900 in funding would be needed in 2022-23 to provide the 2.5% increase in 2023 (\$409,200 for Tier A-1, \$107,500 for Tier A-2, \$156,100 for Tier B, and \$33,100 for Tier C). Delete the statutory references to prior calendar year funding amounts for each tier of transit systems.

***WIPTA Position: SUPPORT***

TRANSIT CAPITAL ASSISTANCE GRANTS (LFB Memo p. 570, Item 4): Provide \$10,000,000 annually to a new continuing SEG appropriation under DOT for transit capital assistance grants. Require DOT to administer a transit capital assistance grant program and award grants to eligible applicants for the replacement of public transit vehicles. Specify that DOT would be required to establish criteria for awarding grants under the transit capital assistance grant program.

Define "eligible applicant" to mean a local public body in an urban area that is served by an urban mass transit system incurring an operating deficit. Specify that "public transit vehicle" would mean any vehicle used for providing transportation service to the general public that is eligible for replacement as an eligible mitigation action established under the Volkswagen settlement. (LFB Memo p. 570, Item 4)

***WIPTA Position: WIPTA has consistently advocated for and supports the creation of a state***

***funded capital assistance program. However, use of such grants should not be limited solely to bus replacement but rather be available for all transit-related capital needs.***

TRANSPORTATION EMPLOYMENT AND MOBILITY (LFB Memo p. 571, Item 5): Provide \$4,000,000 annually to the Department's transportation employment and mobility continuing appropriation. This would increase funding from \$582,600 in base funding to \$4,582,600 annually. Under current law, DOT may award grants from this appropriation to public and private organizations for the development and implementation of demand management, ridesharing, and job access and employment transportation assistance programs. Currently, the Wisconsin employment transportation assistance program (WETAP) is funded from this appropriation. WETAP is an annual competitive grant program that combines both state and federal funding for transit systems and organizations that assist low-income individuals in getting to work.

Under a separate provision in the bill, the definition of "project" under DWD's employment transit assistance grants program would be expanded by repealing the specification that a project be "located in outlying suburban and sparsely populated and developed areas that are not adequately served by a mass transit system." As redefined under the bill, a "project" would improve access to jobs, including part-time jobs and Wisconsin works employment positions, and to develop innovative transit service methods. [See "Workforce Development -- Employment and Training."]

Under current law, the Department of Workforce Development (DWD) is appropriated \$464,800 GPR annually for employment transit assistance grants. Although not statutorily required, DWD typically transfers all funding appropriated for the employment transit grants program to DOT to jointly fund WETAP. The additional funding provided to DOT under the bill would increase funding to the WETAP program to \$5,047,400, if combined with the funding provided to DWD.

***WIPTA Position: SUPPORT***

PARATRANSIT AIDS (LFB Memo p. 571, Item 6): Provide \$75,600 in 2021-22 and \$153,100 in 2022-23 for a 2.5% increase to funding for paratransit aid in each year of the 2021-23 biennium. This would increase funding from \$3,025,000 in base funding to \$3,100,600 in 2021-22 and \$3,178,100 in 2022-23.

Under current law, DOT is required to provide paratransit aid to assist eligible urban mass transit operating assistance recipients with the provision of paratransit service required under the Americans with Disabilities Act. In awarding the paratransit grants to eligible urban mass transit systems, the Department must: (a) maximize the level of paratransit service provided by those systems; and (b) give priority to eligible applicants for the maintenance of paratransit

service provided on July 1, 2011.

**WIPTA Position: SUPPORT**

SENIORS AND INDIVIDUALS WITH DISABILITIES SPECIALIZED ASSISTANCE PROGRAM (LFB Memo p. 571, Item 6): Provide \$22,900 in 2021-22 and \$46,300 in 2022-23 for a 2.5% increase to funding for the seniors and individuals with disabilities specialized assistance program in each year of the 2021-23 biennium. This would increase funding from \$912,700 in base funding to \$935,600 in 2021-22 and \$959,000 in 2022-23. State specialized assistance funding supplements federal section 5310 funding (enhanced mobility of seniors and individuals with disabilities program) to aid eligible applicants in Wisconsin's rural and small urban areas with transit capital and operating projects that serve seniors and individuals with disabilities.

**WIPTA Position: SUPPORT**

TRIBAL ELDERLY TRANSPORTATION GRANTS (LFB Memo p. 571, Item 8): Provide \$457,400 SEG in 2021-22 and \$480,300 in<sup>[[SEP]]</sup> 2022-23 and decrease funding by \$435,600 PR annually for the tribal<sup>[[SEP]]</sup> elderly grant program. The bill would convert base level funding of \$435,600 for the tribal elderly grant program, which is currently funded from tribal gaming revenues (PR), to a newly-created SEG appropriation funded from the transportation fund. In addition, the SEG funding provided would fund an increase of \$21,800 SEG in 2021-22 and \$44,700 SEG in 2022-23 to fund a 5.0% annual increase in funding for tribal elderly transportation grants in each year of the 2021-23 biennium. Under the bill, base funding for tribal elderly transportation grants would increase from \$435,600 to \$457,400 SEG in 2021-22 and \$480,300 SEG in 2022-23.

Modify DOT's existing tribal elderly transportation grants PR appropriation to a SEG appropriation to reflect the change in the program's funding source. This conversion in the program's funding source from tribal gaming to the transportation fund is part of the Governor's larger recommendation to reallocate uses of tribal gaming revenues among state agencies.

**WIPTA Position: SUPPORT**

LOCAL SUPPLEMENTAL GRANT PROGRAM (LFB Memo p. 572, Item 1): Provide \$75,000,000 in 2021-22 for a newly-created local multimodal supplemental grant program to provide grants to reimburse local governments for eligible projects. Specify that eligible projects include projects eligible for funding under the local roads improvement program entitlement and environmental review components, local bridge program, interstate bridge program, costs related to jurisdictional transfers of bridges, or the federal transportation alternatives set-aside, which includes a variety of smaller-scale projects such as pedestrian and bicycle facilities, recreational trails, historic preservation, and environmental mitigation.

Define eligible applicant to be city, village, town, county, a combination of those entities, or an eligible applicant for the federal transportation alternatives set-aside, including: (a) regional transportation authority; (b) a transit agency; (c) a natural resource or public land agency; (d) a school district, local education agency, or school; (e) a tribal government; (f) a nonprofit entity responsible for the administration of local transportation safety programs; and (g) any other local or regional governmental entity with responsibility for or oversight of transportation or recreational trails (other than a metropolitan planning organization or a state agency) that the State determines is consistent with the federal transportation alternatives set-aside program goals.

***WIPTA Position: Support so long as grants are available to Transit-related projects.***

LOCAL SALES TAX AUTHORITY (LFB Memo p. 547, Item 1): Specify that a county or a municipality with a population exceeding 30,000 may enact an ordinance, if approved by a majority of electors in the county or municipality at a referendum, to impose a 0.5% local sales and use tax. Provide that the revenue from the taxes may be used for any purpose designated by the county board or governing body of the municipality or as specified in the ordinance or in the referendum approving the ordinance.

***WIPTA Position: WIPTA has consistently supported local government authority to increase revenue for local Transportation infrastructure and funding, thus WIPTA supports.***