



## **WIPTA 2017 Budget Priorities**

Capital finance pressures and the expansion of services without funding will be disastrous for statewide transit systems, particularly mid-sized, small, and rural public transportation. If the priorities below are not addressed, state Transit Operating Assistance will be functionally cut and an opportunity to address the needs of an aging, increasingly inefficient fleet will be lost. WIPTA respectfully requests that these issues be addressed to avoid disruption and elimination of existing services.

### **Create a State Transit Capital Investment Program with \$16 million in VW Settlement Money**

Over the last three years, federal funding for transit capital needs has decreased significantly creating a capital funding crisis. Most recently in 2016 under the FAST Act, WisDOT applied for \$15 million in capital grants and individual transit systems requested another \$8 million - but USDOT awarded Wisconsin only \$26,400. A lack of capital funding is resulting in a significant backlog of fleet replacement, increased maintenance costs, and diversion of operating funds to finance capital procurements.

A state transit capital investment fund was originally recommended in the Wisconsin Transportation Finance and Policy Commission's Keep Wisconsin Moving policy report. Utilizing VW settlement money provides a perfect opportunity to fund a state transit capital program without any use of Transportation or General Funds.

### **No More Cuts to Transit Operating Assistance Program**

Since 2011, cuts to state operating assistance have resulted in nearly \$17 million in costs to municipalities, causing increased passenger fares, and reduced services. The Wisconsin Transportation Finance and Policy Commission's Keep Wisconsin Moving report recommended restoring \$18.8 million in funding to meet the state's past commitment to transit funding. The Governor's proposed budget maintains 2015-16 levels. WIPTA respectfully requests no more cuts to Transit Operating Assistance. Provided the below operating requests are funded, statewide transit systems will only maintain current level funding.

### **Hold Harmless for the Addition of New Shared-Ride Taxi Systems**

Four new Shared-Ride Taxi Systems are set to go on line and others are likely to follow. Expanded service in Prairie Du Chien, new shared-ride systems in Lac Du Flambeau, Minocqua, and a new system covering all of Walworth County will negatively impact the rest of the Tier C systems if unfunded. DOT has indicated that the cost to fund this expansion is \$249,150 annually. WIPTA respectfully requests \$249,150 per year is added to the Transit Operating Assistance program to ensure there is no loss in equalized funding to rural and small Tier C transit systems.

**Include DOT Budget Request for Transit Program Continuing Appropriation**

When Transit budgets fall short due to unanticipated conditions like high gas prices or excess capital costs, transit providers must reduce services. Under current law, when savings are realized because of prudent planning and cost savings, at the end of the biennium those savings are lapsed back into the Transportation Fund - penalizing transit providers for efficiency. The DOT's budget request provides for the continuing appropriation of certain Transit Aids, which would allow for the redistribution of unspent funds in the next fiscal year, and would help give the state flexibility in meeting transit funding requirements. The average amount of funding lapsed from the state Mass Transit Operating Assistance program to the Transportation Fund represented approximately \$971,000.

**Exempt Transportation Services from UW System Allocable Segregated Fees Budget Opt-Out**

The Governor's budget proposes making payment of allocable segregated student fees at UW System schools optional. This provision would have a direct impact on transit services provided to UW campuses. Allocable student segregated fees are used to pay for transportation programs at UW Madison, UW Milwaukee, UW Eau Claire, UW Oshkosh and UW Steven's Point. Allocable student fees are also used at UW Milwaukee to support parking. WIPTA requests that any such provision in the budget exempt application to such funds allocated for transportation services.