

# Legislative Agenda—2016

Working to Improve Transit Across Wisconsin



## WURTA Applauds Long-Term FAST Act

2016

*Generational Shifts Driving Transit FAST Forward*

- ⇒ Over Half of WI's Counties are >25% Elderly. All Rural.
- ⇒ Millennials are Multi-Modal; WI Drivers Driving 500 Miles/Less/Year.
- ⇒ 36% of Wisconsin's 750+ Transit Vehicle Fleet is Past its Useful Life.
- ⇒ 86% of Transit Fleet Past its Useful Life Have No Federal Funding.

### Boomers & Millennials Pose Challenges and Opportunities

American Baby Boomers & Millennials are the barbells of the economy, who are driving transit forward. Both are driving less, but still opting to live an active lifestyle; whether opting for neighborhoods, or aging in place in rural and suburban communities.

Public transit in rural and suburban communities has been vital in stepping in and meeting the demand for aging in place that provides dignity for our seniors. In the next 15 years, the other half of America's 82 million baby boomers will inch over age 65, transferring millions of long-time drivers onto public transit. As seniors retire, and give up driving, their desire to age in their home, and be a part of their community remains a top priority that public transit affords.

Boomers & Millennials living in urban communities with access to amenities, like shopping, healthcare and socializing are also driving demand for public transit. Millennials, born after 1980, may be hamstrung by college debt, lower wages, and forgoing the high cost of car and home ownership, are still opting for affordable luxuries, social connections, and the access to urban amenities that public transit provides. For urban Boomers & Millennials, public transit is a lifestyle choice; no different than social networking, telecommuting, or accessing real-time e-commerce or mobile transit technology platforms.

Adequate State & Federal investment is critical to meeting the market demand for public transit. Public transit is vital to economic mobility, mitigating rural economic decline, and delivering reliable transportation options to our Urban, Rural, Young, or Aging riders!



**WE ARE WURTA!**

The Wisconsin Urban and Rural Transit Association (WURTA) provides a strong and cohesive voice for Wisconsin transit. WURTA members work proactively to improve transit systems across the state by staying connected with legislation and issues that affect Wisconsin transportation.

WURTA represents 28 bus systems, 43 shared ride taxi systems, 24 associate and affiliate members, over 2,900 transit operators and \$314 million in annual transit expenditures statewide.

# *Legislative Priorities—2016*

## Federal Priorities

1

### Long-term FAST Act Stable; Lacks Robust Capital Investment

The 5339 Bus & Bus Facilities program created under MAP-21, and continued under the FAST Act contains \$6.35 Million statewide, and only increases 1-2% annually, for a total increase of \$450,000 by 2019. ARRA stimulus funding helped avert a capital crisis statewide, but now more than 1/3 of the state's vehicles are past their useful life. Capital funding is critical to maintaining existing services and providing modern, flexible, and reliable services, that meet the demand of aging boomers, emerging millennials.

- \$6.35 million represents half of historic capital funding levels; under SAFETEA-LU Wisconsin received \$12 million annually.
- Discretionary funds encourage new services and technologies rather than preserving or replacing existing services or assets.
- Deferring replacement of vehicles and facilities beyond their useful life increases operating costs, and diverts limited resources from operating to maintenance.

2

### Urgent Demand for Essential Capital Funding Remains

- Wisconsin DOT projects an annual need of \$36 million in statewide capital funding, with an estimated federal funding shortfall of \$24 million annually.
- At least 36% of Wisconsin's transit fleet is past its useful life and in need of replacement.
- 86% of Wisconsin's transit fleet that are past their useful life have no federal funding secured.
- 1/3 of Wisconsin's public transit agencies require major facilities or equipment upgrades.

## State Priorities

1

### Restore \$18.8 Million in Annual Transit Operating Assistance

Driving Wisconsin's economy forward requires a robust investment in a multi-modal transportation system. Recent reductions in state operating assistance have shifted nearly \$17 million in costs to municipalities, increased passenger fares, and forced cuts to transit and vital job access.

- Recommended by the Wisconsin Transportation Finance and Policy Commission's *Keep Wisconsin Moving* policy report to restore \$9.3 million cut in 2011-2013 biennial budget and allocate an additional 9.5 million annually to achieve historic funding level.
- Account for the inclusion of four additional Shared Ride Taxi systems to ensure no loss in equalized funding to rural and small Tier C transit systems.
- Support a legislative study of Tier B & C funding commissioned by the State Legislative Council.
- Maintain transit operating assistance in segregated Transportation Fund.

# Legislative Priorities—2016

2

## Create a \$15 Million State Transit Capital Investment Program

Due to the loss of \$5.8 million annually in federal funding under MAP-21, and the subsequent minimal capital increase of \$81,000 under the 2016 FAST Act, Wisconsin faces a capital crisis. 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.

- Recommended by Wisconsin Transportation Finance and Policy Commission's *Keep Wisconsin Moving* policy report, led by Secretary of Transportation Mark Gottlieb.

3

## Enact Regional Transit Authority Enabling Legislation

Municipalities hamstrung by imposed levy limits, have no local alternative funding mechanism to compensate for State & Federal funding cuts. Allowing municipalities to decide locally to fund transit themselves with a dedicated county or local sales tax stabilizes transit services and can reduce the local property tax burden.

- RTA's allow for greater regional municipal cooperation, efficiency of service, and more seamless transit services for riders across municipal boundaries. RTA's are partially funded by purchases by visitors to local municipalities, thereby reducing the local tax burden even more.
- RTA's are recommended by the Wisconsin Transportation Finance and Policy Commission; and permitted in all other Midwestern states.
- In the absence of RTA enabling legislation, permit local municipalities to enact a sales tax for Transit, similar to recent proposals for street, road, and highway construction and maintenance.

4

## Reexamine Non-Emergency Medical Transportation Brokerage

The NEMT provider network is vital to the state, serves our most vulnerable citizens, but is unfortunately in decline. Brokerage responsiveness and trip shedding continue to plague the NEMT Brokerage contract, and the per capita enrollee payment model disincentives the brokerage's effectiveness. The per capita model employed by DHS bases its payment to the broker on the number of enrollees, rather than on services provided. The brokerage currently receives financial gain, when few rides are provided, and adversely affects transportation access for Medicaid clients. The effect on the provider network has been a shift in demand and cost to other programs, displaced coordinated programs previously operated by counties, and forced some private transportation programs out of business, resulting in a collapsing human service transportation network.

- Support the issuing of an RFP for a new provider at the conclusion of the three year contract in 2016.
- Revise monetary incentives in favor of a fee-for-service model that promotes cost savings without discouraging access to transportation services.
- Restructure program to promote regional transportation between public transit and human service providers to preserve taxpayer resources, and eliminate duplication of service.

Thank You to our Wisconsin Congressional Delegation and Wisconsin State Legislature for *Working to Improve Transit Across Wisconsin!*



*Wisconsin Transit Returns*  
**3 to 1**  
*on Tax Dollar Investment*



**\$314 Million in Annual WI Transit Expenditures**

- Passenger Revenue - 24%
- Federal Funding - 19%
- State Funding - 34%
- Local Funding - 23%

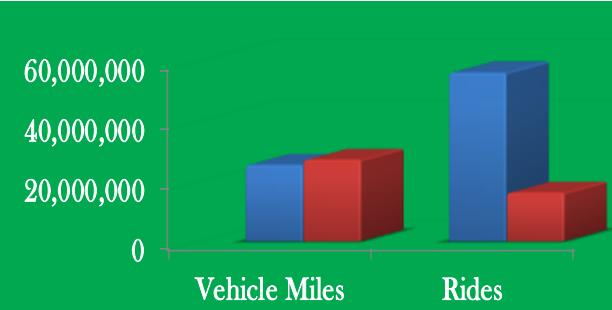
*Since 2011  
Total  
Annual State Funding*

*Decreased 11%*

**FAST Act 5339 Capital Funding**  
*Increases only 1-2% Annually*

*Total Increase  
2015 to 2019 = \$450K = 1* 

*2016 Bus & Bus Facilities  
Statewide Capital Funding*



- Madison & Milwaukee
- Remainder of State

**Madison & Milwaukee—77% of Rides**

*Remainder of State—22% of Rides, but  
52% of Vehicle Miles*