



**HUMBOLDT COUNTY ASSOCIATION OF GOVERNMENTS**  
**Regional Transportation Planning Agency**  
**Humboldt County Local Transportation Authority**  
**Service Authority for Freeway Emergencies**  
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**AGENDA ITEM 8b**  
TAC Meeting  
August 3, 2023

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DATE: July 26, 2023  
TO: Technical Advisory Committee (TAC)  
FROM: Stephen Luther, Associate Planner  
SUBJECT: **New State Funding for Transit**

Attachments:

- CALCOG Policy Brief “RTPA Role in New Transit Funding Programs in FY 23-24”

### **INFORMATIONAL STAFF REPORT**

#### **Staff Summary:**

The State’s FY 23-24 Budget includes new funding sources for transit totaling \$5.1 billion over the next four years. The program is administered by the State Transportation Agency (CalSTA), and the Regional Transportation Planning Agencies (RTPAs) play a central role in the allocation. The funding is intended to serve as a bridge for transit agencies facing operational shortfalls and potential service cuts.

The Transit and Intercity Rail Capital Program (TIRCP) funding will be allocated to regions on a formula basis. The formula is \$300,000 off-the-top for each RTPA and the remainder allocated by population. Eligibility for TIRCP funds is similar to the existing competitive program, and would fund intercity and other bus and ferry investments that increase ridership and reduce greenhouse gas emissions. The new Zero Emission Transit Capital Program (ZETCP) will fund zero-emission transit vehicles and refueling infrastructure, and transit operations that prevent service reduction or elimination in order to maintain or increase ridership.

CALCOG provided an estimate of regional funding allocations based on the formulas. Humboldt would receive an estimated \$7 million in TIRCP each year for FY 23-24 and 24-25. The ZETCP program would provide approximately \$820,000 in FY 23-24 followed by \$461,000 in FYs 24-25, 25-26 and 26-27.

As the RTPA, HCAOG will have additional reporting duties necessary to access funds. In order to qualify for operational funds, HCAOG will need to provide a regional short-term financial plan

and transit operator data by December 31, 2023. Components of the short-term plan include a demonstration of how operational deficit will be addressed, justification for how funds would be split between capital and operational, and how the plan will mitigate service cuts and support ridership. By June 30, 2026, RTPAs must submit a long-term financial plan for sustaining transit operations.

The legislation also establishes a Transit Transformation Task Force. By 2025, the Task Force would report on findings and policy recommendations to address transit funding, workforce, performance and other issues. One of the policy issues the Task Force will address is Transportation Development Act (TDA) reform, and specifically the statutory requirements for farebox return.