

## VIRGINIA ACTS OF ASSEMBLY — CHAPTER

*An Act to amend and reenact § 33.2-1526.3 of the Code of Virginia, as it is currently effective and as it shall become effective, relating to Transit Ridership Incentive Program; funds; improving accessibility; transition to zero-emissions.*

[S 1326]

Approved

**Be it enacted by the General Assembly of Virginia:**

**1. That § 33.2-1526.3, as it is currently effective and as it shall become effective, of the Code of Virginia is amended and reenacted as follows:**

**§ 33.2-1526.3. (Effective until July 1, 2024) Transit Ridership Incentive Program.**

A. The Board shall establish the Transit Ridership Incentive Program (the Program) to promote improved transit service in urbanized areas of the Commonwealth with a population in excess of 100,000 and to reduce barriers to transit use for low-income individuals.

B. The goal of the Program shall be to encourage the identification and establishment of routes of regional significance, the development and implementation of a regional subsidy allocation model, implementation of integrated fare collection, establishment of bus-only lanes on routes of regional significance, and other actions and service determined by the Board to improve transit service.

C. The Board shall establish guidelines for the implementation of the Program and review such guidelines, at a minimum, every five years. The funds in the Program shall be awarded such that on a five-year rolling average, the amount of funds awarded to each urbanized area shall be equal to a ratio of the population within the Commonwealth of such urbanized area compared to the total population within the Commonwealth of all eligible urbanized areas. The Board may through an affirmative vote of a majority of the members vote to waive this requirement for a period not to exceed two years when they find there is a need that justifies such waiver.

D. Notwithstanding the provisions of this section, the Board shall use at least 25 percent of the funds available to support the establishment of programs to reduce the impact of fares on low-income individuals, including reduced-fare programs and elimination of fares. The restrictions in subsection A shall not apply to funds used pursuant to this subsection, nor shall the funds used pursuant to this subsection be used to calculate the rolling average described in subsection C.

E. The Board shall use at least 25 percent of the funds available to support regional transit initiatives. The Board shall use its discretion in allocating the remaining funds available as authorized pursuant to this section and based on the programs and initiatives submitted during the application process.

*F. Notwithstanding the provisions of this section, the Board shall use an amount not to exceed 30 percent of the funds available to support local, regional, and state entities in improving the accessibility of transit bus passenger facilities and transitioning public transit bus fleets and infrastructure to zero-emission bus fleets and infrastructure. The Board shall develop guidelines for applications, including relevant criteria and any requirement for matching funds, including any private grants and donations, for grants to any local, regional, or state public entity that supports a transit system. The restrictions in subsection A shall not apply to funds used pursuant to this subsection, nor shall the funds used pursuant to this subsection be used to calculate the rolling average described in subsection C.*

~~F.~~ G. The Board shall report annually to the Governor and the General Assembly on the projects and services funded by the Program. The report shall, at a minimum, include an analysis of the performance of the funded projects, the performance of the identified routes of regional significance, transit ridership, efforts funded pursuant to subsection D, and any other information the Board determines to be appropriate.

**§ 33.2-1526.3. (Effective July 1, 2024) Transit Ridership Incentive Program.**

A. The Board shall establish the Transit Ridership Incentive Program (the Program) to promote improved transit service in urbanized areas of the Commonwealth with a population in excess of 100,000 and to reduce barriers to transit use for low-income individuals.

B. The goal of the Program shall be to encourage the identification and establishment of routes of regional significance, the development and implementation of a regional subsidy allocation model, implementation of integrated fare collection, establishment of bus-only lanes on routes of regional significance, and other actions and service determined by the Board to improve transit service.

C. The Board shall establish guidelines for the implementation of the Program and review such guidelines, at a minimum, every five years. The funds in the Program shall be awarded such that on a

57 five-year rolling average, the amount of funds awarded to each urbanized area shall be equal to a ratio  
58 of the population within the Commonwealth of such urbanized area compared to the total population  
59 within the Commonwealth of all eligible urbanized areas. The Board may through an affirmative vote of  
60 a majority of the members vote to waive this requirement for a period not to exceed two years when  
61 they find there is a need that justifies such waiver.

62 D. Notwithstanding the provisions of this section, the Board shall use an amount not to exceed 25  
63 percent of the funds available to support the establishment of programs to reduce the impact of fares on  
64 low-income individuals, including reduced-fare programs and elimination of fares. The restrictions in  
65 subsection A shall not apply to funds used pursuant to this subsection, nor shall the funds used pursuant  
66 to this subsection be used to calculate the rolling average described in subsection C.

67 E. The Board shall use at least 25 percent of the funds available to support regional transit  
68 initiatives. The Board shall use its discretion in allocating the remaining funds available as authorized  
69 pursuant to this section and based on the programs and initiatives submitted during the application  
70 process.

71 *F. Notwithstanding the provisions of this section, the Board shall use an amount not to exceed 30*  
72 *percent of the funds available to support local, regional, and state entities in improving the accessibility*  
73 *of transit bus passenger facilities and transitioning public transit bus fleets and infrastructure to*  
74 *zero-emission bus fleets and infrastructure. The Board shall develop guidelines for applications,*  
75 *including relevant criteria and any requirement for matching funds, including any private grants and*  
76 *donations, for grants to any local, regional, or state public entity that supports a transit system. The*  
77 *restrictions in subsection A shall not apply to funds used pursuant to this subsection, nor shall the funds*  
78 *used pursuant to this subsection be used to calculate the rolling average described in subsection C.*

79 ~~F.~~ G. The Board shall report annually to the Governor and the General Assembly on the projects and  
80 services funded by the Program. The report shall, at a minimum, include an analysis of the performance  
81 of the funded projects, the performance of the identified routes of regional significance, transit ridership,  
82 efforts funded pursuant to subsection D, and any other information the Board determines to be  
83 appropriate.