



GRTC Finance Committee | Legislative Update

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Federal

FY27 THUD Bill: Administration continues signaling potential reductions to federal transportation funding.

CIG Program: FY26 funded at approximately \$1 billion; discussions continue regarding potential elimination of the Capital Investment Grant program.

Competitive Environment: Historically, approximately 1 in 20 CIG projects receive funding nationally.

Potential Impacts:

- Future BRT expansion opportunities
- Smart Scale-supported mobility initiatives
- Securing letters of support for upcoming Smart Scale applications

Zero Fare Discussions: Federal conversations continue regarding potential policies impacting fare-free transit systems.

Surface Reauthorization: IIJA expires September 2026; negotiations are expected to establish the next federal transportation framework.

State

HB200 – TRIP: TSDAC continues working through future zero fare funding guidance and best practices intended to support the long-term health of the program.

TSDAC Review: Staff has been advised that final recommendations regarding future TRIP guidance are not anticipated this calendar year as TSDAC evaluates sustainable approaches to future program administration.

HB564 – Clear Lanes: Staff has transitioned from legislative review to implementation planning and evaluation.

Research Underway: Reviewing collection rates, administrative structures, and operational practices associated with the City of Richmond's school zone enforcement program and New Kent County's Interstate 64 speed enforcement initiative.

Local Government Engagement: Initiating conversations with local jurisdictions to determine interest, support, and implementation considerations related to automated transit lane enforcement.

Next Steps:

- Coordinate with local governments, legal counsel, and law enforcement partners
- Develop preliminary financial scenarios, including collection assumptions and potential net revenue impacts
- Identify potential pilot corridors and return to the Board with findings and recommendations
- Identify technology needs as we prepare for funding grants to support this initiative

Staff continues active monitoring and engagement at both the federal and state levels while advancing implementation planning associated with newly enacted legislation.