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## **OLR Bill Analysis**

### **sHB 5256**

#### ***AN ACT CONCERNING THE REGIONALIZATION OF LOCAL AND REGIONAL TRANSIT DISTRICTS.***

#### **SUMMARY**

Beginning FY 23, this bill prohibits the Department of Transportation (DOT) Commissioner from subsidizing more than 90% of the FY 23 operating expenses of a transit district (see BACKGROUND) formed by a municipality or member municipalities that does not have a combined population of at least 100,000, as determined by the Department of Public Health's most recent population estimate. It requires the DOT commissioner to further reduce the subsidy of a district not meeting the population threshold by five more percentage points each fiscal year until FY 33, or until the district meets the threshold, whichever is earlier. Beginning FY 34, the bill prohibits the commissioner from annually subsidizing more than 40% of the operating expenses of a transit district not meeting the population threshold.

The commissioner may waive the subsidy reduction, provided the transit district (1) applies for a waiver from the commissioner, in the form and manner he prescribes; (2) demonstrates its intent to join one or more municipalities that have a combined population of at least 100,000 and identifies these partners; and (3) provides the status of the regionalization.

Transit districts that receive federal rural transit assistance program funding are exempt from the bill's requirements.

EFFECTIVE DATE: July 1, 2022

#### **BACKGROUND**

##### ***Transit Districts***

Transit districts are regional transportation organizations formed by one or more municipalities and authorized by law to acquire, operate,

and finance land transportation, such as bus lines and transit terminals. The transit districts can operate their own services or contract with a private operator to provide services. A transit district assumes the same regulatory and supervisory functions over transit systems in its district that the state DOT would exercise, as long as the transit system would otherwise be subject to DOT supervision.

**COMMITTEE ACTION**

Transportation Committee

Joint Favorable Substitute

Yea 22 Nay 13 (03/24/2022)