

OFFICE OF FISCAL ANALYSIS

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SB-345

AN ACT EXEMPTING VETERANS FROM PAYMENT OF THE
FARES FOR BUS PUBLIC TRANSPORTATION SERVICES.

OFA Fiscal Note

State Impact:

Agency Affected	Fund-Effect	FY 23 \$	FY 24 \$
Department of Transportation	TF - Cost	See Below	See Below
Department of Motor Vehicles	TF - Potential Revenue Gain	Potential	Potential

Note: TF=Transportation Fund

Municipal Impact: None

Explanation

The bill requires the Department of Transportation (DOT) to exempt individuals who have a license/ID card indicating they are a veteran from fares on state-owned or controlled buses. There are an estimated 149,000 veterans in Connecticut; however, there are only an estimated 12,150 veterans who have a license/ID card indicating they are a veteran¹, which is a requirement for receiving free bus service under the bill.

The number and frequency of veterans who currently ride the bus is unknown, therefore a range of potential costs will be discussed. If veterans license/ID holders ride the bus at the same rate as the population², then the annual cost to the STF would be approximately \$234,000. If this population uses the bus twice as much as the population

¹ According to data from the Department of Motor Vehicles.

² The CT population is 3.6 million and there are approximately 39 million state passenger bus trips per year, or approximately 11 trips per person per year.

then the cost would be approximately \$468,000 annually. Alternatively, and to illustrate a plausible high-end scenario, if 10% of eligible veterans are heavy users of public bus services, meaning they regularly buy \$63 monthly bus passes, then the annual cost to the STF could be up to \$919,000.

Additionally, the bill results in a potential revenue gain to the STF due to individuals choosing to pay the \$30 fee for a veterans status license/ID card prior to their renewal date (adding the status during the standard renewal timeframe is free).

The Out Years

The annualized ongoing fiscal impact identified above would continue into the future subject to inflation and the number of veterans license /ID card holders.