

January 28, 2022

Honorable Lawrence K. "Larry" Grooms, Chairman
Senate Transportation Committee
313 Gressette Building
Columbia, South Carolina 29201

Honorable, Merita "Rita" Allison, Chairman
House Education & Public Works Committee
429 Blatt Building
Columbia, South Carolina 29201

Re: 2021 Public Transit Annual Report

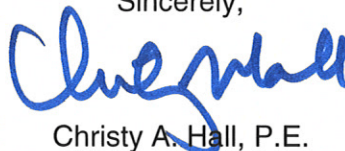
Dear Chairmen:

On behalf of the South Carolina Department of Transportation (SCDOT) please accept the Agency's submittal for the "Office of Public Transit Annual Report" for 2021. Pursuant to SC Code of Law, Sections 57-3-40 (C) and 57-3-210 (B) (2), the Office of Public Transit is required to provide this report to the Committee Chairmen of House Education & Public Works and Senate Transportation.

Prior to 2014, SCDOT was granted through Proviso 117.72 the opportunity to combine the statute-required Annual Report and the Mass Transit Report into the Annual Accountability Report. In 2014, the Annual Accountability Report was streamlined and could no longer contain the "Annual Report" or the "Mass Transit Report." The Annual Report was previously submitted and the Office of Public Transit Report is attached, which fulfills this reporting requirement.

If you have any questions, please do not hesitate to contact me.

Sincerely,



Christy A. Hall, P.E.
Secretary of Transportation

CAH:dwf
Enclosure





OFFICE OF PUBLIC
TRANSIT

2021 ANNUAL REPORT

SUBMITTED
JANUARY 2022

SCDOT OFFICE OF PUBLIC TRANSIT

2021 ANNUAL REPORT

EXECUTIVE SUMMARY

Key transportation strategies identified in the South Carolina Department of Transportation (SCDOT's) Strategic Plan focus on asset management while developing multimodal options for all residents and visitors, including public transportation. SCDOT's Office of Public Transit (OPT), in coordination with the Federal Transit Administration and local and regional partners throughout the state, plans programs, and administers the statewide delivery of rural and urban general public transit services and transit services for seniors and individuals with disabilities.

Pursuant to SC Code of Law, Sections 57-3-40 and 57-3-210, the OPT is required to develop and submit the annual Office of Public Transit Report to the General Assembly. Included within the Report is an analysis of (1) annual accomplishments and progress, (2) a funding plan and (3) a five-year transit plan.

SECTION 1: ANNUAL ACCOMPLISHMENTS

Public transit is a core component of South Carolina's multimodal transportation network. Most counties in SC have public transit service in at least a portion of their county, which typically translates into over 12 million passenger trips statewide annually. However, due to the continued impact of the COVID-19 pandemic on South Carolina's public transit service, in 2021 6.6 million passenger trips were provided.

Establishing, financing, and sustaining effective, statewide, publicly-operated transit service in urban and rural areas continues to be a major challenge, while at the same time one of our biggest accomplishments. This is especially true given the continued impact of the COVID-19 pandemic on South Carolina's public transit services in 2021.

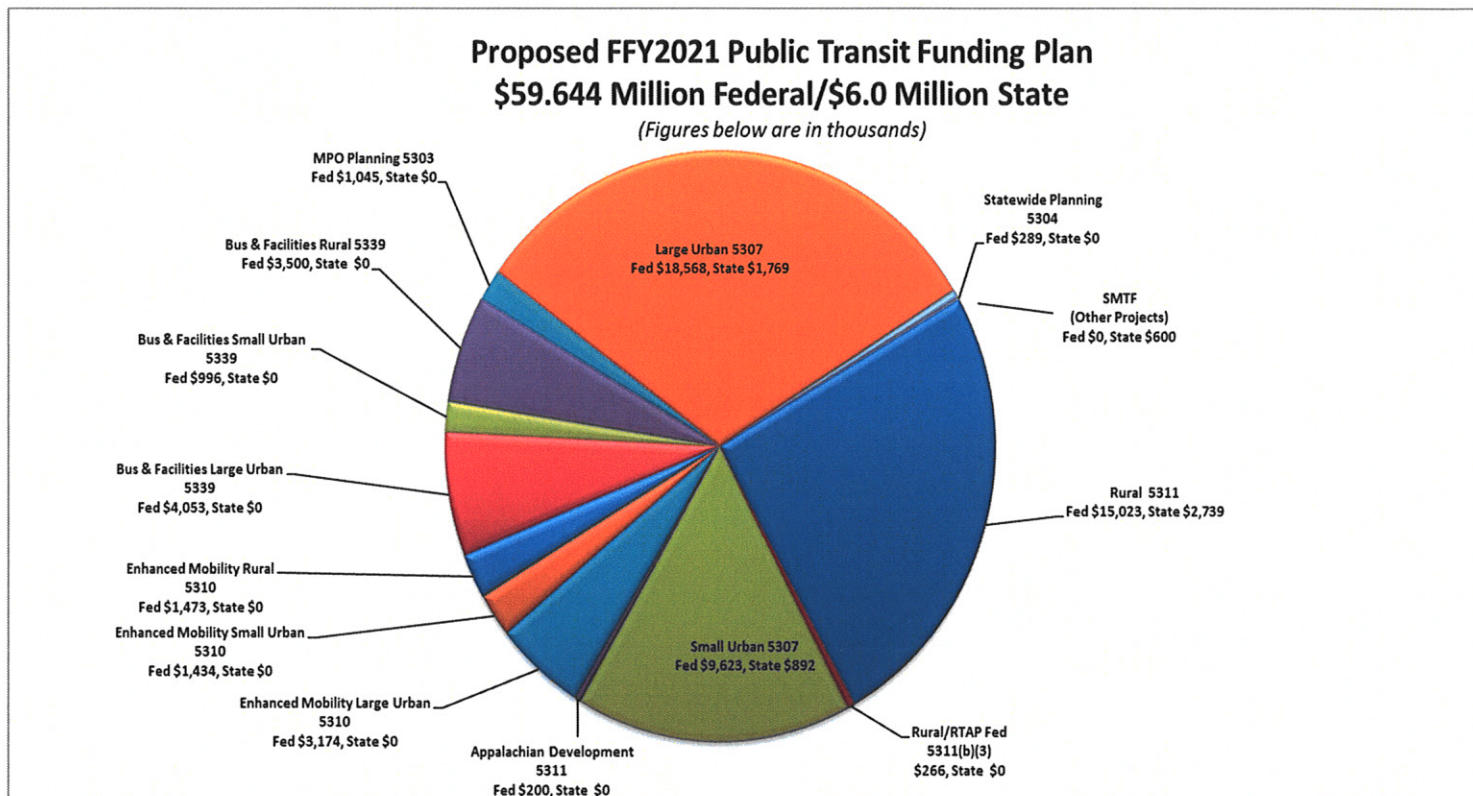
Below are a few highlights from 2021:

- The Federal CARES Act included \$25 billion in funding nationally to support the transit industry response to the COVID-19 pandemic. The Federal Transit Administration (FTA) **apportioned a total of \$120 million to South Carolina**, with \$75.2 million going to large and small urban transit systems and \$44.8 million going to rural transit systems. The CARES Act funding represents a significant increase and is in addition to normal annual federal transit funding. **Funding is provided at a 100-percent federal share** for all 27 public transit systems in the state, with no local match required. CARES Act funding is used to reimburse FTA recipients for actual capital, operating, planning and administration expenses to prevent, prepare for, and respond to COVID-19, and all funding remains available until expended. Funding is also used to maintain operations and personnel and offset revenue loss due to decreased ridership, cancelled contracts or temporary reductions in service.

- In April 2020, SCDOT made available to the rural transit providers the first round of CARES Act funding, which was roughly equivalent to their total annual federal allocation. A second round of funding was released in October 2020, with the final round released in October 2021. As of December 2021, **66% of the fully allocated CARES Act funding** for rural transit agencies had been invoiced and paid out. SCDOT continues to work with the State’s Executive Budget Office and Office of the State Auditor to ensure compliance with the evolving processes of documentation and proper oversight of the Federal CARES Act funding
- The Federal Transit Administration conducted a review of the Office of Public Transit’s CARES Act funding oversight and financial procedures. This financial review is part of FTA’s supplemental oversight for the funds that Congress appropriated to assist the transit industry with its COVID-19 response and recovery efforts. **No issues were identified** during this review.
- The South Carolina Office of the State Auditor conducted an annual review of the Office of Public Transit to ensure that OPT was sufficiently and appropriately performing its auditing and compliance responsibilities as required by state statute. The Office of the State Auditor found **no exceptions or findings** as a result of this review.
- SCDOT has continued the success of the **Statewide Transit Vehicle Replacement Program**. Through innovative financing methods, OPT is maximizing the use of this program with a capital asset replacement plan that has significantly reduced the number of current SCDOT-titled public transit vehicles past their useful life. Since inception of this initiative the percentage of transit vehicles operating past their useful life has continued to decrease, **allowing SCDOT to remain below our 2021 target of 40 percent**. This figure also represents a continued reduction from the initial 77 percent of transit vehicles operating past their useful life in 2014, **demonstrating the success** of the statewide transit asset management program.
- SCDOT continued the **Technical Assistance and Oversight Program** with all public transit agencies in the state to ensure that the scope and associated costs of transit services are commensurate with available and projected revenues. Because of increased technical assistance, we have seen a reduction in findings resulting from annual compliance reviews of local transit agencies, and a continued “right-sizing” of transit services statewide to better ensure long-term fiscal sustainability.
- SCDOT continued to facilitate interagency and public-private transportation coordination efforts, with the ultimate goals to enhance economic development efforts, **reduce overall public and human services transportation costs**, and maintain or enhance the delivery of transit services across the state in a fiscally sustainable manner.
- SCDOT continued efforts with local officials in Cherokee County and Union County to introduce general public **transit services for the first time**, and continued to forge **public-private partnerships** for the implementation of employment-focused public transportation services statewide **in support of the local economic development efforts**.

SECTION II: FUNDING PLAN

The SCDOT Commission approves the Transit Funding Plan containing both state and federal transit funds. The charts below display the \$6.0 million in state transit funding and \$59.644 million in federal transit funding as approved by the SCDOT Commission. Additional information can be found in the Statewide Transportation Improvement Program, also known as the STIP. It is referenced in Section III of this report and can also be located at: <https://www.scdot.org/inside/planning-stip.aspx>.



SECTION III: FIVE-YEAR PLAN

SCDOT recognizes that the SC transportation system is essential to the economic health of our State. SCDOT uses two plans to address transit across the state - the Statewide Transportation Improvement Program (STIP) and the 2040 Statewide Multimodal Transportation Plan (SMTP). These plans are explained below.

The STIP is our seven-year transportation improvement program for all projects or program areas receiving federal funding. The STIP covers all federally funded improvements with approved funding SCDOT expects to begin these projects in the next seven-year period, and is revised on a continual basis to reflect the latest program and project information. The SCDOT Commission, as well as the Federal Highway Administration and Federal Transit Administration, approve the STIP. The STIP is

a fiscally-constrained plan based on financial budgets phased over the life of a project. This document is located at: <http://www.scdot.org/inside/stip.aspx>.

The 2040 SMTP is the state's twenty-five year Statewide Multimodal Transportation Plan. The SMTP, including the Statewide Transit Plan, is updated every five years with intermittent annual reviews. It focuses on maximizing South Carolina's limited funding resources, maintaining the state's position in the global marketplace, and efficiently moving both people and goods. This plan was developed in conjunction with SCDOT management, staff, and transportation partners and stakeholders. The process included several major components that encompass public transportation, including:

- **Statewide Public Transportation Plan Update** – overall public transportation plan for the state of South Carolina, summarizing existing services, needs and future funding programs.
- **Multimodal Transportation Plan** – overall plan inclusive of all modes of transportation.

The current 2040 MTP Update was approved in July 2020.