

**DIVISION OF RESEARCH, INNOVATION & SYSTEM INFORMATION**  
**Research Initial Scope of Work**  
**SUBMITTAL FORM - FY 2024/25**

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I. Task Title:

Revenue Generation - Rural Transit

II. Task ID:

4596

III. Project Problem Statement:

Rural transit agencies need help maintaining financial stability and service efficiency due to limited funding options and reliance on external resources. Unlike urban counterparts, these agencies often operate in areas where local tax-based funding mechanisms, or "self-help" options, are unavailable. This dependency urgently requires rural transit agencies to identify sustainable revenue sources and cost-effective practices to continue providing essential services.

IV. Objective:

Develop a final report with at least 5 actionable recommendations that counties can evaluate and determine if implementing one or more suggestions would help alleviate the revenue deficit for their given county.

V. Task Description of Work:

The work will consist of two parts. The first will consist of an evaluation of existing funding sources utilized by rural non-self help counties in California, to be done in a combination of survey and data gathering as well as a general review and evaluation of existing alternative finance programs for rural county public transit initiatives available in California and on the federal level. The second portion will focus in on one specific county (to be determined by panel) to perform a case study on alternative revenue sources and strategies that they have implemented or are considering that do not include the implementation of additional taxes or fees.

VI. Expected Deliverables:

The primary deliverable will be a final report that contains a minimum of 5 actionable recommendations that rural counties in California could pursue in order to generate revenue from non tax and non fee based sources.

## VII. Background:

Outside of the information provided in the problem statement, I have included the definition of "self-help counties" that we wish to use for this study. "Self-help counties" will be defined using the definition provided by the Self-Help Counties Coalition which says that "[Self-Help Counties] deliver[] voter-approved (by super-majority) transportation sales tax measures that fund transit, highway, freight, bicycle, pedestrian and other transportation programs." By extension, the non-self-help counties are those counties that do not have access to these funding mechanisms and rely on alternative sources for revenue to fund their transit systems.

## VIII. Related Research:

While there is existing research that evaluates sustainable revenue sources for rural public transit systems, they do not provide a distinct focus on those communities in California with their unique situations and requirements. Caltrans has also conducted a Preliminary Investigation into the issue that contains a list of associated research.

IX. Deployment Potential:

The purpose of this research project is to inform guidance that can be deployed to rural counties as an aid in rural county revenue generation efforts. The report can also stand alone as a resource for rural counties, either through review of best practice recommendations or following with on specific contacts for case studies covered in the report.

X. Estimate of Duration:

12 months