



# Kansas RTAP Fact Sheet

A Service of The University of Kansas Transportation Center for Rural Transit Providers



## Vanpooling: Is it Right for You?

Useful resources if you are thinking about starting a program for your agency or community

By Pat Weaver

and your agency. This article provides an update of an article and a Kansas RTAP fact sheet produced in 2009. It has a number of new resources for you to read if you're considering vanpools as at least a partial solution to commuter needs in your community.

### Investigating vanpools in Region VII

In September 2012, Region VII United We Ride (Kansas, Missouri, Iowa and Nebraska) and Kansas RTAP co-hosted a one-hour webinar entitled “*Vanpooling: Is It Right For Your Agency?*” The webinar was organized by Region VII United We Ride Ambassador Margi Ness and included two guest speakers with lots of experience in establishing and running vanpools throughout the country: Justin Rison, CEO for TRANSITIONS Commute Solutions, and Shamus Misek, Statewide Rideshare Program Manager for the Washington Department of Transportation. In addition to his work in Washington State, Misek previously worked for PACE in Chicago and established an extensive vanpool program there. The recorded webinar is available online, along with copies of their presentations and

other hand-outs. (See the sidebar on page 2 for the link to this webinar).

### Considerations for developing a vanpool program

Innovative programs in rural communities can include ones that are owner-operated, programs sponsored by transit agencies or employers, and vanpools administered by third-party operators. Our previous article on the topic in the January 2009 issue of the Kansas Trans Reporter (<http://www.kutc.ku.edu/pdffiles/KTR2009-Jan.pdf>), provided a good explanation of types of vanpools and the many benefits to the commuter and to the employer.

In the September webinar, Rison outlined several considerations when moving towards a vanpool program—basic considerations such as identifying your customers, determining the commuting corridor(s) needed, potential sources of funds, and how involved you want to be in the program. Rison said you will need to determine what role your agency will play. Options might be to manage the program, provide the fleet along with managing the program, or move towards a “P2” program (public-private), contracting out with a vanpool provider.

Misek, in his comments during the

**A**s hard as we might try, traditional public transit services can't solve all the mobility problems in rural communities—communities with diverse transit needs, lots of miles in the service area, lack of enough density to support frequent and comprehensive fixed-route service, and employers with work hours that span the clock with more than one shift or hours outside a traditional 8-5, five days a week. What's a transit manager to do? One strategy is to help get alternative services going, either provided directly by the agency or by working with other partners to bring in these alternatives.

One such alternative is commuter vanpool program, a service strategy that has been very successful in meeting commuter needs in some states. What about in Kansas? There is no one answer; but there are many resources available to help you determine whether it might be a partial solution for your community

webinar, shared many unique aspects of the Washington State vanpool program with its nearly 3,000 vanpools in operation statewide, the largest vanpool fleet in the country. Approximately 20 transit agencies in Washington State operate vanpools, from as few as three vanpools to King County with its more than 1,100 vanpools.

Misek outlined several non-traditional vanpool uses in Washington State, one of which was to authorize the transfer of retired vanpool vans to non-profit

organizations and local governments. Another example of a non-traditional vanpool use was the Special Use Vans Program which provides not-for-profit agencies with accessible vans, fuel, insurance and maintenance to transport seniors or people with disabilities specifically to work or training. The JobSeeker Van Program provides assistance to selected community-based organizations that transport low-income and welfare clients who are transitioning into the workforce.

Misek advises transit agencies

interested in establishing a successful vanpool program to be flexible, creative and responsive to customers. He admonished agencies to not fall victim to the standard response of “it can’t be done,” instead approaching and talking to other agencies to share ideas of potential approaches and learning from the successes and failures of others.

See the sidebar for a list of resources on vanpools to help you get started.

## Resources Available To Learn More About Vanpools

As mentioned earlier, the recorded **Region VII webinar** is available to view, if you were unable to participate in the original offering, by visiting <https://desktopconnect.ku.edu/p64u2gxmwze/>

The Joblinks Employment Transportation Center Resource Program operated at the Community Transportation Association of America, also has created a number of resources on vanpooling that should provide useful tips to anyone developing a vanpool program. These are located at <http://web1.ctaa.org/webmodules/webarticles/anmviewer.asp?a=2589&z=103> Two useful examples are:

**Implementing Vanpool Programs.** This link provides a set of handbooks and other resources to assist communities in planning for the implementation of vanpool programs.

**Funding and Sustaining Vanpool Programs.** Monthly passenger fees generally cover vehicle costs, maintenance, gasoline and insurance expenses. When employers contribute to the cost of employees’ trips by taking advantage of tax benefits such as the Qualified Transportation Fringe Benefit program (IRS Section 132(f)) – known as the Commuter Tax Benefit – riders and employers can benefit financially. There are also low-cost approaches to operating vanpools that are worth exploring with Joblinks staff and in your communities.

Another useful resource is one produced by the Center for Urban Transportation Research titled **Vanpool Pricing and Financing Guide**, available at [http://www3.cutr.usf.edu/tdm/pdf/Vanpool\\_values.pdf](http://www3.cutr.usf.edu/tdm/pdf/Vanpool_values.pdf) This guide presents vanpooling as a sound business policy that also supports other forms of public transit. It provides an overview of vanpooling (types of programs, benefits and concerns); identifies both traditional and creative sources of financing by type (capital contracting, capital leasing, toll revenue, municipal lease, etc.) and discusses pricing and pricing techniques.

Finally, in addition to the Region VII webinar offered in September, two additional webinars have been offered and recorded through Joblinks:

**Starting and Growing Rural Vanpool Programs: From Financing to Vehicle Procurement.** <http://web1.ctaa.org/webmodules/webarticles/anmviewer.asp?a=1769&z=5#commuter>. Vanpool program operators are using creative funding and partnership-building strategies to build their vanpool programs. This webinar assists in thinking broadly about how to develop and sustain vanpooling within local communities. Speakers offer examples of how federal, state and local funds and tax benefits can be packaged to support rural vanpools. Speakers also share ways to obtain vehicles.

**The Commuter Tax Benefit: A Federal Incentive for Vanpool Riders and Their Employers.** <http://web1.ctaa.org/webmodules/webarticles/anmviewer.asp?a=1769&z=5#commuter>. Employers around the country have created incentive programs to support employees who ride vanpools to work. From offering preferential parking to providing tax incentives to actively encourage vanpool creation, there are many ways to encourage employees to vanpool instead of driving alone to work. This webinar explains how the benefit work and how it can be administered. Speakers offer examples of how to support vanpooling and discuss how offering 132(f) benefits helped to build their programs.

For a copy of the original vanpool article published in 2009, entitled **“Come on in: The Water’s Fine. Establishing Vanpools in Kansas**, visit <http://www2.ku.edu/~kutc/pdffiles/KTRFS09-Vanpools.pdf>

## Recent Legislative Changes in Funding and Managing Vanpool Programs

- MAP-21 (P.L. 112-141) makes a provision for “assistance for local match needs specific for P2 programs for vanpooling,” said Rison. Public sector agencies that contract for vanpool service may use passenger revenue as a source of local match for creation and expansion of a vanpool program.
- Another change was in the American Taxpayer Relief Act of 2012 (also known as the “fiscal cliff” bill) which provides the option for most employers to provide transit and vanpool tax-free benefits to their employees up to \$240 per month (under Section 132 (f)). This increase from the \$125 per month benefit level restores the equity lost in 2012 between transit /vanpool tax benefits and the now \$240 benefit provided for parking benefits.

Reprinted from the April 2013 issue of the *Kansas TransReporter*, a publication of the Kansas Rural Transit Assistance Program (RTAP) at the Kansas University Transportation Center.