Crisis Overview

Michael Pimentel
Deputy Executive Director
California Transit Association
COVID-19’s Impacts on Transit

Ridership Decline

- All Cities
- San Francisco Bay Area
- Los Angeles
- San Diego

$26-$40 Billion

Estimated annual financial impact of COVID-19 on U.S. transit agencies
Immediate Actions: Two Capitols

TWO CAPITOLS
ONE GOAL
March 20, 2020

The Honorable Mitch McConnell
Majority Leader
United States Senate
S-230, U.S. Capitol
Washington, DC 20510

The Honorable Nancy Pelosi
Speaker of the House
United States House of Representatives
H-232, U.S. Capitol
Washington, DC 20515

The Honorable Charles E. Schumer
Minority Leader
United States Senate
S-221, U.S. Capitol
Washington, DC 20510

The Honorable Kevin McCarthy
Minority Leader
United States House of Representatives
H-204, U.S. Capitol
Washington, DC 20515

Dear Leader McConnell, Speaker Pelosi, Leader Schumer and Leader McCarthy:

On behalf of the member agencies in the California Transit Association and all who still need public transportation right now, I respectfully urge you to provide at least $1 billion in emergency state funding to California’s transit agencies, to offset an actual and anticipated four to six months of direct costs and revenue losses associated with the COVID-19 pandemic. This level of support, which we urge you to provide through SB 89 (Budget and Fiscal Review) Chapter 2, Statutes of 2020, a supplemental budget appropriation, is essential to preventing immediate reductions in transit service that would limit our ability to provide essential transportation services.

The California Transit Association…urge[s] the United States Congress to provide $16 billion in emergency funding to the nation’s public transit agencies to offset the direct costs and revenue losses associated with the COVID-19 pandemic. The Association represents California’s transit industry, inclusive of public transit agencies, transit allies/support groups, engineering firms, transit equipment manufacturers, and transit industry suppliers. California’s transit agencies are major employers, with thousands of workers who are front-line essential workers. The public transit industry had already been experiencing severe financial challenges before the COVID-19 pandemic, with the rapid decline in passenger revenues, and reduced revenues from the sales and property tax that support transit agencies. The industry was unable to maintain essential service levels for essential workers and the public who rely on transit service.

The emergency funding we are requesting – a request that is entirely consistent with the one presented to you by the American Public Transportation Association – is absolutely necessary to prevent further harm to public transit agencies, their workers and their riders, and to maintain essential public transit services. These essential services provide the freedom of mobility for individuals with disabilities; public safety; connections to health care, child care, and commerce; and ensure that communities can continue to function. The emergency funding we are requesting will prevent further reductions in transit services, and help to minimize the financial hardship experienced by transit agencies, their workers, and riders.

As an association representing public officials, we know that – in the absence of immediate action by the state government and in the face of continued inaction by the federal government – these trends will require transit to cease to function as it has historically. In fact, as we write this letter, transit agencies across the state are suspending or dramatically curtailing much of their service, they are deferring payments to contractors, and/or furloughing employees; and if emergency funding is not forthcoming, several agencies will begin to shut down service entirely.

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T: (916) 446-4018 F: (916) 446-4218 caltrans.org
House Passes $2 Trillion Emergency Funding Package, Sends Bill to President

Earlier this morning, the United States House of Representatives passed the Coronavirus Aid, Relief, and Economic Security (CARES) Act, the $2 trillion economic aid package that includes $25 billion in emergency funding for public transportation. The President is expected to sign the funding package upon receipt.

Based on preliminary estimates, transit funding is expected to flow to California as follows:

- FTA 5307 – Urbanized Area Formula Grants: $2,360,301,615
- FTA 5311 – Formula Grants for Rural Areas: $86,790,829
- FTA 5337 – State of Good Repair Grants: $1,175,496,694
- FTA 5340 – Growing States/High Density States: $127,690,194

Funding for California is expected to total more than $3.75 billion.**

Funding from the package will be apportioned no later than 7 days after its enactment. Funding can be used for "operating costs to maintain service and lost revenue due to the coronavirus public health emergency, including the purchase of personal protective equipment, and paying the administrative leave of operations personnel due to reductions in service." Critically, funding from this funding package does not require matching funds and will be available to transit agencies until expended.

In response to the passage of the funding package, state leaders thanked Congress for their actions and highlighted the important of the emergency funding to local entities.

Governor Gavin Newsom issued a press release stating: "The stimulus bill passed today…provides direct aid to state and local governments..."
The COVID-19 crisis is having a devastating impact on transportation budgets in the Bay Area and throughout the nation. MTC estimates that through 2020, the Bay Area could face a 47 percent reduction in revenue from state fuel taxes, other highway and transit user fees, and dedicated sales taxes. This funding shortfall threatens the nearly 250,000 people employed in the surface transportation sector and threatens the Bay Area’s ability to operate and maintain its transportation network. MTC has already identified $4 billion in priority regional transportation projects that are at risk, though due to the scale of what’s at risk—everything from revenue could bridge and transit system maintenance and operations to major capital improvement projects—is much larger.

Revenue Loss Impact to Metro Programs

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<th>Category</th>
<th>Preliminary Loss</th>
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Additional EstiS Met and Other Discretionary Funds

![Revenue Loss Impact to Metro Programs](image)

$1.3B MTC + $1.8B LA = $3.1B Minimum
Muni expects to lose the majority of its bus lines permanently as financial devastation mounts

San Francisco, which once packed 68 crowded bus lines into its lean streets, stands to lose most of them as the pandemic sinks its transit budget and steers riders into cars.

AC Transit could cut 30% of bus service in East Bay as revenue sinks

As San Francisco braces for a wholesale gutting of its bus system, AC Transit is contemplating similar cuts in the East Bay.
BART is providing daily ridership data so our riders know the number of people riding each day, a key indicator of crowding (or lack of). We are running long trains all day despite low ridership to help with social distancing. Scroll down for daily COVID-19 news updates.

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Opportunities for Relief

Congress Debating Additional Emergency Funding

• HEROES Act: $15 billion for public transportation

• INVEST in America Act: $5.8 billion for public transportation

State Legislature Expected to Take Additional Budget Actions

• May include stimulus for hard-hit industries

• Bond measure also possible

BUDGET ACTION NEEDED
June 29, 2020

The Honorable Gavin Newsom, Governor
State of California
State Capitol, Suite 1173
Sacramento, CA 95814

The Honorable Toni Atkins, President pro tempore
California State Senate
State Capitol, Room 205
Sacramento, CA 95814

Governor Newsom, President pro tempore Atkins, and Speaker Rendon:

On behalf of the member agencies of the California Transit Association and the millions of Californians who still rely on public transportation right now, I write to you today to thank you for your leadership in providing transit agencies with temporary operating relief in the June budget. These relief measures are critical to ensuring transit agencies can apply the state funding they already received toward maintaining transit service as they confront the public health crisis.

Now, as you consider over the coming months the appropriateness of additional budget actions to support critical needs, we urge you to provide new emergency funding to California’s transit agencies to help address their funding shortfall of more than $1.1 billion.

The emergency funding would address critical funding needs at transit agencies statewide, to prevent devastating permanent reductions in transit service and ensure public transportation is still a viable option for communities most in need.

Since the passage of the federal Coronavirus Aid, Relief and Economic Security (CARES) Act, which we had hoped would suffice, the funding outlook for public transit has clarified and only become more worrisome. We had long considered that a second wave of negative impacts would come crashing down on transit agencies when sales tax revenues plummeted, because of the slowing economy. That said, we did not anticipate the size and severity of this second wave. Our most recent analysis shows that the funding shortfall faced by transit agencies statewide now exceeds $3.1 billion. The combined road in Los Angeles and the Bay Area alone is $2.1 billion, underscoring the particularly dire funding picture in the urban regions of the state whose transit agencies have historically served the most riders.

The emergency funding we are now urging you to provide would address the remaining needs for transit agencies fully accounting for the investments already made in CARES Act funding, which were intended only to blunt the worst and most immediate impacts of the COVID-19 pandemic. This additional funding is essential to preventing significant and permanent reductions in transit services that would adversely impact communities throughout the state. Without additional funding, it could take years for public transit to recover from today’s crisis, resulting in the diminishment of important mobility options for millions of Californians and the unnecessary delay of California’s economic recovery.

June 29, 2020

The Honorable Nancy Pelosi, Speaker
United States House of Representatives
1230 House Office Building
Washington, DC 20515

The Honorable Kamala Harris
United States Senate
112 Hart Senate Office Building
Washington, DC 20510

Speaker Pelosi and Senators Feinstein and Harris: 

On behalf of the member agencies of the California Transit Association and the millions of Californians who still rely on public transportation right now, I want to thank you for the role you played in securing emergency funding for public transit agencies in the Coronavirus Aid, Relief, and Economic Security (CARES) Act. With your support, California’s transit agencies have already received $3.1 billion in new transit funding that has helped us weather the most immediate impacts of the pandemic.

Now, as you consider over the coming months the appropriateness of providing additional emergency support to critical sectors, we urge you to provide new emergency funding to California’s transit agencies to help address their funding shortfall of more than $3.1 billion.

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“Data show that those riding public transit today are essential workers and overwhelmingly women, low-income, and people of color who lack access to other mobility options,” said Jeffrey Tumlin, Director of Transportation, San Francisco Municipal Transportation Agency. “Viable public transit is essential to protecting strong and healthy communities and to avoid the loss of thousands of local jobs.”

“Like many public transportation agencies throughout the state, we have been forced to reduce services that provide lifeline service for essential and frontline workers and disadvantaged communities,” said Metro CEO Phil Washington, “Additional state and federal resources are needed to prevent steep losses of public transportation services that our county residents desperately need.”

“The worldwide health pandemic has put California’s public transit agencies in crisis, with many agencies at risk of permanently eliminating or reducing bus, train and other transit services,” said Joshua W. Shaw, Executive Director of the California Transit Association. “Without state or federal support, local public transit agencies may be forced to make cuts that threaten economic recovery and disproportionately hurt disadvantaged communities.”
92% of today’s riders are using transit to commute to work. Many riders are essential workers. Many have no other transportation options.

- Pre-crisis, transit ridership reflected a 50/50 gender split; today, 56% of riders are female.
- Since the pandemic, Black and Latino riders comprise the majority of transit riders.
- More than 20% work in health care services. Almost 20% work in food preparation.
CALIFORNIA CAN'T SURVIVE WITHOUT TRANSIT
Future of Transit

Michael Pimentel
Deputy Executive Director
California Transit Association
APTDA Works to Focus Industry Efforts

- APTA Chair Nuria Fernandez announced the formation of “Mobility Recovery & Restoration Task Force”
  - Chaired by LA Metro CEO Phil Washington

- Task Force will:
  - Develop a path forward for public transportation’s core functions and financial stability; and,
  - Explore new methods, tools, and approaches to reposition our industry’s essential role in a post-pandemic mobility world.

- Timeline:
  - May 1: Task Force Convened
  - September 1: Task Force Finishes Work
Following its April action to approve federal emergency funds for public transit, the Metropolitan Transportation Commission (MTC) released on May 7, 2020 a framework for creation of a 30-member Blue Ribbon Transit Recovery Task Force to guide the future of the Bay Area’s public transportation network as the region adjusts to new conditions created by the COVID-19 pandemic. The Task Force, chaired by MTC Commissioner and Solano County Supervisor Jim Spering, includes other local elected officials as well as advocates for people with disabilities, representatives from the state Senate and Assembly, the California State Transportation Agency, transit operators, business and labor groups and transit and social justice advocates. The Task Force members were formally appointed at the Commission’s May 27th meeting.

The Task Force will assist MTC in understanding the scale of the crisis facing all Bay Area transit systems because of the COVID-19 pandemic, and to guide its regional response.
Our Future of Transit Effort

• Steered by the Association’s **COVID-19 Transit Crisis Relief Task Force**
  – Aims to shape the recovery strategies upon which our members will rely
  – Correct the media narrative on transit restoration
COVID-19 Transit Crisis Relief Task Force

- Alameda-Contra Costa Transit District
- Central Contra Costa Transit Authority
- Golden Empire Transit District (Chaired by Karen King, CEO; and Vice Chair, California Transit Association)
- Long Beach Transit
- Los Angeles County Metropolitan Transportation Authority
- Monterey-Salinas Transit
- Orange County Transportation Authority
- San Diego Metropolitan Transit System
- San Francisco Bay Area Rapid Transit District
- San Mateo County Transit District
- Santa Clara Valley Transportation Authority
- Santa Maria Area Transit
- Victor Valley Transit Authority
Final Report

- Includes **17 recommendations** with examples from California
- Provides readers with additional background on the Association’s survey process, prioritization, sources
**Recommendations**

**Best Practices**

1. Direct riders to wear face coverings
2. Support installation of protective barrier for operators, where feasible
3. Update ventilation systems or improve air flow to in transit vehicles
4. Adopt and publicize enhanced cleaning methods
5. Prioritize service restoration in high ridership corridors
6. Restore more frequent service
7. Engage major employers and other stakeholders to develop policies to expand telecommuting and staggered work hours
8. Introduce digital ticketing systems/contactless payments
9. Expand new mobility options where more cost-effective than restoring traditional transit service
10. Work with local and regional partners to implement exclusive or preferred bus lanes
11. Work with local and regional partners to institute traffic signal prioritization

**Policy Recommendations**

1. Provide emergency funding to transit agencies
2. Institute new local government funding options to support transit and infrastructure near transit
3. Expedite transit project delivery
4. Increase funding for zero-emission buses and charging/refueling infrastructure
5. Authorize operation of transit buses on highway shoulders
6. Continue to move projects through the CIG pipeline
Prioritize Service Restoration in Higher Ridership Corridors

Justification: Prioritizing service restoration in high ridership corridors can help transit agencies maximize the mobility benefits of limited operating budgets and help maintain physical distance between riders…

…In the long-run, this recommendation…will increase the efficiency of transit service.
Justification: Restoring more frequent transit service can help transit agencies stay ahead of demand…

…In the long-run, more frequent transit service…can help transit agencies maintain and expand their transit ridership.
Introduce Digital Ticketing and Contactless Payment Systems

**Justification:** Introducing digital ticketing and contactless payment systems can help transit agencies maintain physical distance...limit contact with shared surfaces and objects; speed bus boarding; increase fare collection ...allow transit agencies to resume fare collection...and help lay the foundation toward greater system integration in the future...
Expand New Mobility Options Where More Cost-Effective Than Restoring Traditional Transit Service

**Justification:** Transit service that was reduced or eliminated…can be restored with new mobility options and other demand response services that, in some cases, are more cost-effective and more convenient than the traditional transit service they replace.

If cost savings are significant, agencies can use them to increase service levels on high ridership lines.
Work with Local and Regional Partners to Implement Dedicated Bus Lanes

**Justification:** Dedicated bus lanes can help improve transit travel times...To establish dedicated bus lanes...must work with local and regional partners...

...Public transportation agencies need the policy and funding support from all levels of government to actualize the promise of dedicated lanes.
Work with Local and Regional Partners to Institute Traffic Signal Prioritization

**Justification:** Traffic signal prioritization...can reduce transit travel time and increase schedule reliability, helping to make public transit more attractive for customers and less expensive to operate.

The gains in transit efficiency...can help maintain and expand transit ridership during the pandemic while delivering lasting benefits to transit service.
**Recommendations**

**Best Practices**

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Contact Us

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