

Statement of  
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(NYPTA)

At the Joint Hearing of the  
  
Senate Standing Committee on Finance  
&  
Assembly Standing Committee on Ways and Means  
  
Concerning the SFY 2021-22 Executive Budget Proposal  
Relating to Transportation

Albany, NY

Tuesday, January 26, 2021

9:30 AM

Thank you, Chairwoman Weinstein and Chairwoman Krueger, for your support of public transportation and for giving the New York Public Transit Association (NYPTA) the opportunity to testify today. And thank you Chairwoman Paulin and Chairmen Kennedy, Comrie and Magnarelli for your leadership on transit issues. We appreciate all the members here today, and in your houses, who continue to support public transit.

My name is Bill Carpenter; I am the Chief Executive Officer for the Rochester-Genesee Regional Transportation Authority and the President of NYPTA.

Earlier you heard from the MTA. Addressing their financial needs is critical to the downstate economy and we fully support their priorities. My testimony will focus on the issues and needs of transit systems in upstate New York and in the downstate suburbs.

### **Background**

Last April, the enacted state budget offered great promise for transit systems across the state, including significant increases in transit operating assistance. Then the world changed – as the Covid-19 pandemic spread, forcing stay at home orders, business closings and reduced travel.

Transit systems throughout the state responded quickly to the crisis, connecting essential workers, and providing a lifeline to access jobs, food, and healthcare. We implemented cleaning and disinfecting protocols and operational changes to protect customers and employees. Public transit stepped up during the pandemic to maintain service, provide a mobility safety net and help the economy recover.

Today we face a different reality, and the loss of revenues has the potential for long-term consequences to transit and the communities we serve.

### **Fiscal Impacts of COVID-19**

The fiscal impact of the Covid-19 crisis has been devastating to everyone, including public transit. Almost immediately, there was a dramatic loss of riders and revenue. For example, in Rochester, our ridership plummeted by over 50% from prior year levels. Many other systems suffered even greater losses.

State operating assistance payments were reduced by 30% this year, significantly impacting our finances, as STOA funds 40% or more of transit operating budgets. State revenue sources dedicated to transit, including fuel taxes and the new upstate auto rental fee, were hit hard by the decline in travel.

In addition to lost revenues, transit operating budgets absorbed the increased costs of PPE for employees and enhanced cleaning and disinfecting of vehicles and facilities.

Despite significant declines in revenues, transit systems kept their communities connected to jobs and services by using federal relief funding.

### **2021-22 Executive Budget**

The Executive Budget proposes a decrease in state operating aid of 9.3% for upstate systems and 16.2% for downstate county bus systems from the levels in the 2020-21 budget.

Recently received federal relief funding will offset lost passenger revenues and the proposed STOA reduction for a while but will then be depleted. Without additional federal or state help this year, transit may be forced to reduce services just as we are most needed to help the economy rebound.

Robust transit service and the connections it provides can be a catalyst for a strong economic recovery and returning vibrancy to our communities. We are implementing innovations to provide more travel options and make transit easier to use. Services are being reimagined and there is a commitment to build back better coming out of the pandemic.

We understand the difficult fiscal situation facing the state and will do what we can with available resources. But the reduction in state aid will not provide the resources to transform transit into the mobility engine our communities need and deserve.

**We recommend that STOA levels be returned to at least the levels in the 2020-21 enacted budget so we can help our communities recover and grow.**

### **Transit Capital Needs**

Capital investment must also continue – to replace over-age vehicles, repair outdated facilities and keep transit safe. We appreciate that the Executive Budget maintains Non-MTA capital funding at current levels. Additional funds are needed to support a transition to electric vehicles to meet climate change and energy goals. Transit capital funding provides economic stimulus and jobs.

In 2019, NYPTA documented the need for \$1.7 billion in infrastructure investments over the next 5 years for non-MTA transit, but only \$700 million in available revenue, leaving an unfunded gap of \$1 billion. Non-MTA transit does not have a multiyear capital program like the MTA. Without adequate multi-year funding, infrastructure conditions will worsen, and the backlog of unmet needs will grow.

### **Transit Investment is Vital for Economic Recovery and Growth**

Transit remained open during the pandemic to serve essential workers and we are ready to expand mobility options so our communities can reopen, recover, and grow.

Robust transit service supports growth in the economy and jobs, addresses climate change, improves social equity, and moves people from poverty to prosperity. Accelerating investment in transit will accelerate these benefits.

We look forward to continuing to work with you and the Governor to meet the mobility needs of your communities.

Thank you.