Testimony of Rachel Haot, Executive Director of the Transit Innovation Partnership

New York State Joint Legislative Public Hearing: Impact of COVID-19 on the Metropolitan Transportation Authority and Public Transportation August 25, 2020

Thank you chairs Kennedy, Comrie and Paulin for hosting this hearing on the future of the MTA in the wake of the COVID-19 crisis. The Partnership for New York City represents private sector employers of more than 1.5 million New Yorkers. We work with government, labor and the nonprofit sector to maintain the city's position as the preeminent global center of commerce, innovation and economic opportunity.

A modern and efficient public transit system is essential to our city and region's economic recovery and future growth. We have continually and actively advocated for federal funding to fill the huge revenue losses the system has experienced due to the pandemic, but so far only a quarter of what is needed has been forthcoming. Without federal action on the \$12 billion the MTA says it needs to get through 2021, there is no way the agency can remove itself out of what Chairman Foye has called a "fiscal tsunami."

Prior to COVID-19, New York was on the path to building a world-class transportation system, after decades of decay and underinvestment. Service, including on-time performance, was dramatically improving; capital projects were being completed faster and at lower cost; and the MTA's historic \$51.5 billion capital program had just been approved.

In 2018, the Partnership and the MTA established the Transit Innovation Partnership, incorporating private sector expertise and access to cutting edge technology into agency operations. Through this partnership, in response to COVID-19, the MTA was able to quickly deploy new technology to measure passenger flow and reroute buses to accommodate frontline workers during the hours the subway was closed. It took just four days to launch a solution that would have taken years under prior procedures.

We have also recently launched the COVID-19 Response Challenge to make transit safer and safeguard the health of the MTA's heroic workforce as well as riders, including possibly finding efficient and effective methods to remove contaminated aerosols from our public transit system. Evaluators are currently reviewing 190 submissions from vendors across

the globe and this fall those companies with the most promising ideas for minimizing public health risks in the transit systems will be selected for pilot projects and hopeful adoption.

Earlier this month, the Partnership conducted a <u>survey</u> of private sector employers to determine when workers are likely to return to the office and what factors will influence the timing of return. The results show substantial uncertainty about when to expect Manhattan's one million office workers to return. This is not because they like working remotely. The top three reasons for not returning to the office were concerns about the status of the pandemic and availability of a vaccine, the safety of mass transit, and safe reopening of schools and child care facilities.

As of mid-August, the survey revealed that just 8% of office workers had returned to the workplace. Only 26% were expected to return by the end of the year and 54% by July of 2021. Notably, 83% of returning office workers will depend on mass transit for their commute.

The pandemic cost the MTA 90% of its ridership and 40% of its revenues, but the subway, bus and commuter rail systems today are cleaner, safer and more comfortable than ever. Yet many members of the public remain reticent to return, primarily due to lack of trust in the self-discipline of their fellow passengers — wearing masks, social distancing and staying home when sick. There is also a growing issue of crime and aggression throughout the city, including in and around transit stations, subways, buses and trains.

The governor's executive order requires everyone, including those using mass transit, to wear face coverings. To restore confidence in transit may require the Legislature to codify the governor's executive order into state law to require wearing masks covering mouth and nose on transit and in stations as well as stronger enforcement through a combination of NYPD presence, real time surveillance, and a hotline for reporting and securing immediate response to violations.

The financial losses facing the MTA will not be covered in the short term by returning ridership. Operational and administrative reforms are also necessary. The MTA has implemented some already, like design-build projects that help speed up the pace of projects while lowering the cost. Other needed reforms suggested in the 2018 report of the Metropolitan Transportation Sustainability Advisory Workgroup included:

- Constraining the growth in health care benefits for active and retired employees;
- Taking measures to control litigation costs, which run about \$500 million a year;
- Updating civil service classifications and work rules to provide upward mobility opportunities for all employees and increase productivity;
- Reforming procurement practices by making better use of "best value" procurements and removing over-customized specifications for construction projects; and
- Optimizing the value created by transit improvements by working with localities to realize the full potential of "value capture" financing.

The Partnership believes that MTA leadership and transit workers have done an exceptional job of maintaining services and responding to the COVID-19 crisis. They deserve our thanks and support during the recovery process. New Yorkers — both transit riders and transit workers — must feel safe on transit or our economic recovery will continue to lag.