NEW YORK PUBLIC TRANSIT ASSOCIATION, INC.

Statement of

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At the Public Hearing of the

Assembly Standing Committee on Transportation

To Review and Assess non-MTA Public Transit Programs and Services

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Thank you, Chairman Magnarelli and the members of the committee for your support of public transportation and for giving the New York Public Transit Association (NYPTA) the opportunity to testify today. My name is Bill Carpenter, and I am the President of NYPTA and the CEO of the Rochester Genesee Regional Transportation Authority (RGRTA). My testimony will focus on the issues and needs of transit systems in upstate New York and in the downstate suburbs.

Background

In a recent report on upstate transportation authorities from Comptroller DiNapoli, he states, “The COVID-19 pandemic created unprecedented challenges for the State’s regional transportation authorities by disrupting operations, decreasing ridership, and severely reducing revenues; however, these authorities reported that federal aid helped them weather pandemic deficits. If ridership continues to languish and does not return to pre-pandemic levels, the authorities will need additional revenue from other sources to continue to provide services at current levels—or may be faced with limiting services.”

This report is an accurate representation of the fact that New York’s transit systems face a different reality today, and that the loss of revenues has the potential for long-term consequences to transit and the communities we serve. Federal COVID relief funds did what they were intended to do – replace lost revenues and cover increased expenses – to maintain New York’s mobility safety net through the pandemic, which is still ongoing. This relief funding was temporary, which means we need to now place our focus on identifying long-term, recurring sources of revenue to stabilize and grow Statewide Mass Transportation Operating Assistance (STOA).

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Complicating the recovery of transit systems are the wage and job pressures currently witnessed in the supply chain crisis. Transit systems across the state report shortages of drivers, mechanics, and other skilled personnel together with substantial price increases in fuel. The need for significant increases in STOA to address these challenges cannot be understated. Any increases must be driven by the dedication of additional taxes to the state's transit operating assistance funds. The existing dedicated taxes, particularly in the Upstate account, cannot support transit systems without new dedicated revenues.

In 2019, New York's public transit systems asked for a 50% increase in STOA over five years. In the three budgets since that ask, we have fallen behind. What remains is a 36% gap for both upstate and suburban downstate transit systems. We want to work with you, the Senate, and the Governor to start making that up in the 2022-23 budget and place our finances on solid footing.

Ongoing Impact of COVID-19

Transit systems throughout the state responded quickly to the pandemic, 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. We helped deliver food, protective equipment, and other necessities to people and organizations in need. Over the past year, we expanded on that effort by providing access to rapid testing and vaccination sites across the state and continuing our collaboration with local governments and non-profits to meet various needs due to the pandemic.

Today, there are a number of factors at play that point to the increasing value of public transit and the need for more robust funding. With our state's economic recovery underway, we are starting to see an increase in demands from customers and businesses. We are experiencing lower revenues, higher expenses due to continued COVID protocols, and a bus operator shortage that is putting pressure on wages. And finally, important community efforts and legislative priorities related to climate change, mental health, poverty, and social justice point to the need for more robust transit service and the connections it provides.

Given the significant role public transit played during the pandemic, our customers wanting us to do more, and the fact that federal COVID-relief funds did their job as a temporary stopgap, now is the perfect time to boost STOA funding, and transform transit into the mobility engine our communities need and deserve.

Transit Capital Needs and Zero-Emission Goals

In addition to more robust STOA funding, New York's transit systems need a long-term capital plan that ensures we have the necessary infrastructure in place to meet the needs of our communities. This includes replacing over-age vehicles, transitioning to zero emission fleets, repairing and/or replacing outdated facilities, and making the significant investments in campus infrastructure that are needed to meet the State's 2025 and 2035 zero-emission goals.

While it is important that there is additional capital funding to purchase the more expensive buses that embrace zero-emission technologies, the greater and more immediate need is for access to robust funding that will allow our systems to modernize their campuses in a relatively short period of time. Take RGRTA in Rochester for example. The garages we use to store our buses were built more than 40 years ago, long before any consideration had to be made for the need to both charge and store buses at the same time. We need to build a new charging depot on our campus to meet the needs of a zero-emission fleet. The construction of that facility and other related efforts is expected to cost approximately $85 million. Now expand the Rochester example to the transit systems in Buffalo, Albany, Suffolk County, and Westchester County – the five transit systems working to meet the 2025 and 2035 goals – and to other transit systems moving to electric buses – and you can see the significant investment needed just to meet the zero-emission goals.

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. A preliminary update of that report shows the 5-year capital need growing by more than $500 million largely from the cost of moving to electric fleets. 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 continue to 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 our work with you and the Governor to meet the mobility needs of our communities.

Thank you.

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