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October 1, 2020

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

Speaker Pelosi and California's Congressional Delegation:

On behalf of the member agencies in the California Transit Association and the millions of Californians who still rely on public transportation right now, I thank you again for providing emergency funding for public transit agencies in the Coronavirus Aid, Resources, and Economic Security (CARES) Act. I write to you today to communicate the Association's enthusiastic support for the revised Heroes Act, introduced on September 28. Importantly, this \$2.2 trillion bill includes \$32 billion in new funding for transit agencies nationwide, consistent with requests submitted by our Association, the American Public Transportation Association, and transit agencies and transit labor organizations across the country.

As you progress through negotiations with the White House – and eventually the Senate – on this next round of emergency funding, we urge you to hold firm on the need to include \$32 billion in new funding to transit agencies nationwide in the final bill. This funding is vital for meeting the minimum \$3.1 billion funding need we previously identified for California's transit agencies.

As you know well since the passage of the CARES Act, the funding outlook for public transit has only clarified and 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 or the magnitude of new expenditures that would be necessary to implement the enhanced cleaning protocols and operational improvements necessary to keep our transit operators and the operating public safe. Our most recent analysis, conducted in June 2020, shows that the funding shortfall faced by transit agencies throughout our state now exceeds \$3.1 billion, with additional costs likely if the pandemic continues to advance and/or dramatically reshapes how Californians travels for the long-term.

The emergency funding included in the new Heroes Act would address the remaining needs for transit agencies after fully accounting for the emergency investments made in public transit by the CARES Act funding. This additional funding is essential to preventing significant and permanent reductions in transit services that would adversely impact communities throughout the state and which are becoming all too likely at transit agencies operating in rural, suburban and urban contexts. This funding would also ensure that California's transit agencies can continue to make progress on implementing the safety measures and operational improvements, like those outlined in our newly-released <u>Transit is Essential:</u> <u>Recommendations for the Future of Transit</u> report, that you and our riders expect of us. Without

additional funding, it could take years for public transit to recover from today's crisis, resulting in the elimination of important mobility options for millions of Californians and the unnecessary delay of California's economic recovery.

With that funding, California's public transit agencies would be able to continue to provide critical transportation options to the millions of healthcare, public safety, grocery store, and restaurant workers classified as essential workers during the COVID-19 pandemic. Data shows that these workers – specifically, those riding public transit today – are overwhelmingly low-income and/or people of color who lack access to other mobility options. As we saw during the Great Recession, if additional emergency funding is not forthcoming, the brunt of the impacts will be borne disproportionately by women and minority, low-income, senior and disabled communities, putting further strain on California's most vulnerable populations. That would be untenable.

Again, we greatly appreciate the early actions you took to secure funding for transit agencies through the CARES Act and your efforts to secure additional emergency funding for transit agencies today. That funding provided much-needed short-term relief to transit agencies to backfill passenger fare revenue losses and to cover increased operating expenses related to the public health crisis. That funding explicitly recognized that many agencies had experienced ridership declines, which in turn drastically reduced farebox revenue. That funding also recognized that transit agencies had intensified cleaning protocols for stations and vehicles, increased purchases of personal protective equipment and cleaning supplies for staff, and in many cases, had foregone fare collection to limit contact between vehicle operators and riders. In some cases, transit agencies have not yet resumed fare collection and are approaching the 5th month of severe farebox revenue losses.

We are incredibly thankful that the revised Heroes Act would provide additional funding to ensure transit agencies can continue to provide safe and accessible service. This funding is critical to a balanced economic recovery, to our quality of life and to achieving our state's ambitious environmental goals.

Again, without additional emergency funding, transit agencies will have to take steps to further curtail service, delay critical capital projects and halt procurements, resulting in lasting impacts to communities across California, but also manufacturers and part suppliers nationwide.

If you have any questions about this request, please contact me at 323-594-6342. Thank you for your consideration.

Sincerely,

Michael Pineutel

Michael Pimentel Deputy Executive Director

cc: Congressional Delegation, State of California The Honorable Gavin Newsom, Governor, State of California The Honorable Jim Beall, Chair, Senate Transportation Committee, California State Senate The Honorable Jim Frazier, Chair, Assembly Transportation Committee, California State Assembly David Kim, Secretary, California State Transportation Agency, State of California Members, Executive Committee, California Transit Association Members, Federal Legislative Committee, California Transit Association