# POLICY BRIEF



# **COVID-19 Pandemic Threatens Public Transit Jobs and Service**

# Key Takeaways

- 1. Public transit agencies face a critical funding shortfall because of the COVID-19 pandemic that threatens jobs and service
- If Congress and the Administration do not provide \$32 billion of additional COVID-19 emergency transit funding, more than six in 10 public transit agencies will have to cut transit service or furlough staff
- 3. Without this emergency funding, transit agencies are considering laying off or furloughing staff (54 percent) and reducing service (61 percent), including eliminating routes (38 percent) and reducing days of service (20 percent)
- 4. Eight in 10 large agencies are also considering delaying, deferring, or cancelling capital projects to close their budget gaps

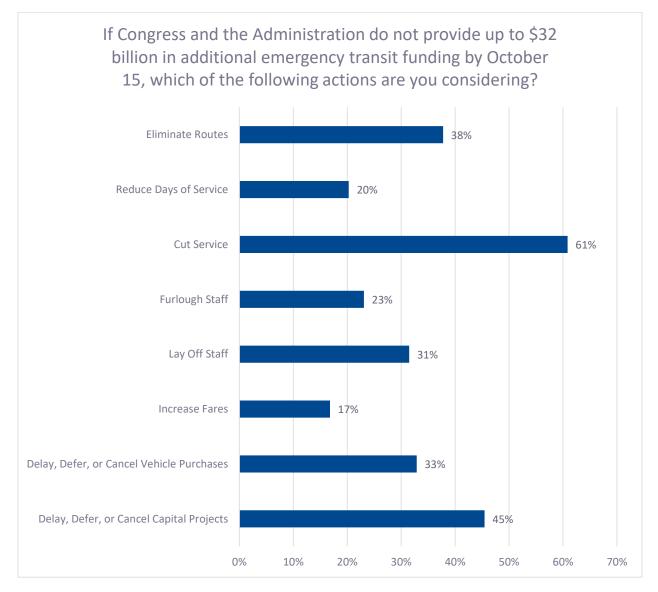
## Funding Shortfall Leading to Lost Jobs, Service Reductions

Although Congress provided \$25 billion of COVID-19 emergency transit funding under the CARES Act, transit agencies have already invested the overwhelming majority of this funding. According to the Federal Transit Administration (FTA), as of September 10, 2020, FTA had awarded 727 grants totaling \$23.0 billion, or 92 percent of the CARES Act transit funding. Many public transit agencies used these funds to maintain transit operations, and the CARES Act helped limit employee furloughs to 16 percent of all agencies. However, CARES Act funding is almost fully obligated and transit agencies face significant, on-going budget challenges because of the pandemic.

If Congress and the Administration do not provide \$32 billion of additional transit funding, many public transit agencies will have to institute employee furloughs or service cuts. More than six in 10 public transit agencies will have to cut transit service or furlough staff in the coming year.

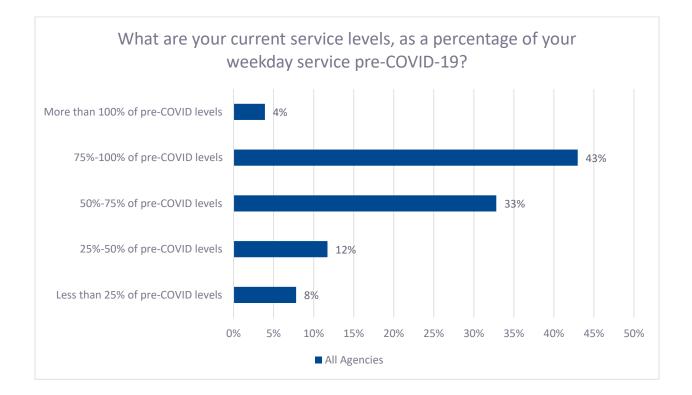
## Majority of Agencies Considering Service Cuts to Close Gap

Without additional emergency transit funding, almost two-thirds of all agencies (61 percent) and eight in 10 large agencies (80 percent) are considering service cuts to close their funding gaps. In addition, eight in 10 large agencies (80 percent) are also considering delaying, deferring, or cancelling capital projects to close their budget gaps.



### **Public Transit Agencies Providing Essential Services**

Throughout the COVID-19 pandemic, public transit agencies have continued to provide essential services. Initially, most agencies cut service to respond to lower transit ridership levels as well as to protect their agency staff by reducing the number of employees who had to commute and work each day. Currently, transit agencies are increasing service levels as more people are traveling, and to help reduce crowding levels on transit vehicles. Nearly one-half of all agencies (47 percent) are operating more than 75 percent of their pre-COVID-19 service levels. Similarly, after going fare-free to reduce contact between passengers and staff, four in 10 agencies (40 percent) and six in 10 large agencies (60 percent) have re-instituted fares. Finally, more than one-half of large agencies (56 percent) have been forced to delay, defer, or cancel capital projects to address budget gaps in the wake of the pandemic.



### Conclusion

Public transit agencies face a critical funding shortfall because of the COVID-19 pandemic. More than six in 10 public transit agencies will have to cut transit service or furlough staff. These agencies are considering a range of actions from laying off staff to eliminating routes to address the funding shortfall, Congress and the Administration must provide \$32 billion of additional COVID-19 emergency transit funding to sustain these essential services.

#### **About the Survey**

This survey was conducted of APTA transit agency members in September 2020. One hundred and twenty-eight (128) APTA transit agency members, including one-half of the 50 U.S. transit agencies that carry the most passengers, responded to the survey.

#### The American Public Transportation Association (APTA)

The American Public Transportation Association is a nonprofit international association of 1,500 public and private sector organizations that represents a \$74 billion industry that directly employs 435,000 people and supports millions of private sector jobs. APTA members are engaged in the areas of bus, paratransit, light rail, commuter rail, subways, waterborne services, and intercity and high-speed passenger rail. This includes transit systems; planning, design, construction, and finance firms; product and service providers; academic institutions; transit associations and state departments of transportation. APTA is the only association in North America that represents all modes of public transportation. APTA members serve the public interest by providing safe, efficient and economical transit services and products.

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#### **APTA Vision Statement**

APTA leads public transportation in a new mobility era, advocating to connect and build thriving communities