February 13, 2025



American Public Transportation Association

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1300 I Street NW Suite 1200 East Washington, DC 20005 p: (202) 496-4800 f: (202) 496-4324 Mr. Matthew Welbes Executive Director Federal Transit Administration Department of Transportation 1200 New Jersey Avenue, SE Washington, DC 20590

Subject: Notice of Proposed Policy Statement Regarding the Applicability of FTA's Drug and Alcohol Testing Program to Transportation Network Companies (Docket No. FTA-2024-0020)

Dear Executive Director Welbes:

The American Public Transportation Association (APTA) represents a \$79 billion industry that directly employs 430,000 people and supports millions of private-sector jobs. We greatly appreciate the ongoing dialogue between APTA and the Federal Transit Administration (FTA) regarding improving safety and mobility for public transportation passengers. Safety is APTA's top priority, and our industry is committed to ensuring the safety of workers, riders, and the public.

We write to strongly urge FTA to withdraw the Notice of Proposed Policy Statement Regarding the Applicability of FTA's Drug and Alcohol Testing Program to Transportation Network Companies (Notice of Proposed Policy Statement) published in the *Federal Register* on December 30, 2024, at 89 FR 106732, and consult with the public transit industry on the impacts of the Proposed Policy Statement on public transit agencies' operations and the riders that they serve. Prior to agency action on this issue, we strongly encourage FTA to convene a stakeholder forum to ensure that the agency fully appreciates the breadth of transit agency mobility on demand programs and the impacts of any proposed changes on their services.

FTA's Notice of Proposed Policy Statement seeks to clarify the longstanding "Taxicab Exception" to the Drug and Alcohol requirements as it applies to Transportation Network Companies (TNCs) by prohibiting TNCs Executive Director Matthew Welbes February 13, 2025 Page 2

(or taxi companies) from having any "contracts or informal arrangements" with transit agencies to augment critical paratransit and user choice services unless they comply with FTA's Drug and Alcohol testing program.

Many transit agencies have developed on-demand supplemental service for paratransit and firstmile/last-mile rides and other user-choice mobility programs based on FTA's Taxicab Exception guidance. Since 2016, FTA's guidance has allowed transit agencies to utilize the Taxicab Exception and partner with TNCs for mobility on demand services through contract or other means provided that the transit agency contracts with multiple entities to provide service and the passenger chooses between the providers for their rides.¹ Several transit agencies have developed these mobility programs with the oversight of FTA. Accordingly, while some agencies have partnered with TNCs that comply with FTA's Drug and Alcohol testing program, for those transit agencies currently utilizing the Taxicab Exception with certain TNCs, such as Uber and Lyft, this revised interpretation represents a significant change without adequate consultation with the industry and unwinds years of precedent.

Public transit agencies that utilize these TNCs to augment their traditional paratransit, firstmile/last-mile, and guaranteed ride home services have expressed deep concern that FTA's Notice of Proposed Policy Statement, if finalized, could jeopardize these services. Moreover, there is broad concern about the near-term disruption to riders, including paratransit riders, who have come to rely on the wide array of choice and flexibility that these services provide.

FTA's Notice of Proposed Policy Statement prohibiting the underlying use of contracts or informal arrangements as part of the Taxicab Exception was issued without prior consultation with industry or consideration of the potential effects on transit agency mobility programs. APTA strongly urges FTA to withdraw the Notice of Proposed Policy Statement to provide both FTA and the public transit industry time to consult through a stakeholder forum and fully consider the impacts on public transit agencies' ability to deliver vital mobility services.²

Finally, APTA notes that some of its members strongly support APTA's withdrawal request, while other members are supportive of FTA's Notice of Proposed Policy Statement. All perspectives should be heard, considered, and addressed in an FTA consultation with transit providers. APTA and its members are firmly committed to the safety of our passengers and welcomes FTA's further engagement on this issue.

¹ See generally FTA, <u>Shared Mobility FAQs: Controlled Substance and Alcohol Testing Requirements</u> (last updated May 2024). FTA states in its Notice that its guidance specifically allowed for the use of contracts in these arrangements and that transit agencies have relied on this guidance to build their programs. *See* FTA, <u>Notice of Proposed Policy Statement Regarding the Applicability of FTA's Drug and Alcohol Testing Program to</u> Transportation Network Companies, 89 Fed. Reg. 106732, 106734 (December 30, 2024).

² Withdrawing this Notice is consistent with President Trump's recent Memoranda and Executive Orders, including Memorandum for the Heads of Executive Departments and Agencies, <u>Regulatory Freeze Pending Review</u> and Executive Order 14192, <u>Unleashing Prosperity Through Deregulation</u>, which collectively seek to reduce regulatory burdens on businesses.

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If you have any questions about this request, please contact Stacie Tiongson, Senior Director, Government Affairs and Advocacy, at <u>stiongson@apta.com</u>.

Thank you in advance for your consideration.

Sincerely,

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Paul P. Skoutelas President and CEO