

March 20, 2020

The Honorable Mitch McConnell  
Majority Leader  
United States Senate  
S-230, U.S. Capitol  
Washington, DC 20510

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

The Honorable Charles E. Schumer  
Minority Leader  
United States Senate  
S-221, U.S. Capitol  
Washington, DC 20510

The Honorable Kevin McCarthy  
Minority Leader  
United States House of Representatives  
H-204, U.S. Capitol  
Washington, DC 20515

Dear Leader McConnell, Speaker Pelosi, Leader Schumer and Leader McCarthy:

On behalf of the California Transit Association, **I write to you today to respectfully urge the United States Congress to provide \$16 billion in emergency funding to the nation's public transit agencies** to offset the direct costs and revenue losses associated with the COVID-19 pandemic. The Association represents California's transit industry, inclusive of public transit agencies, transit allies/support groups, engineering firms, original equipment manufacturers, and transit industry suppliers.

As you know, the transit industry nationwide, like virtually all other sectors of the American economy, is being ravaged by the sudden and severe outbreak of COVID-19. In California, the state with the second highest transit ridership in the nation, we are watching daily as transit ridership plummets – for some agencies, by as much as 95% – and as revenue losses and the escalating costs of our efforts to keep the traveling public safe threaten operational budgets. Unfortunately, we know our industry's current situation portends only greater challenges for our transit agency members and the riders who rely on their service. In the coming days, Californians across the state will begin to respond to Governor Newsom's "[stay at home](#)" order, requiring all Californians to stay at home or at their place of residence unless they are needed to maintain the continuity of operations of critical infrastructure sectors or must access essential services. What will follow are further ridership declines and revenue losses that will make more dire the existential threat posed by the virus to public transit service in California.

The emergency funding we are requesting – a request that is entirely consistent with the one presented to you by the American Public Transportation Association – is absolutely necessary to prevent further harm to public transit agencies, their workers and their riders, and to maintain essential public transit services. These essential services provide the freedom of mobility for individuals with disabilities; public

transportation for health care workers, law enforcement, first responder, and other safety personnel; and Medicaid recipients who receive medical transportation for kidney dialysis, cancer treatments, and other critical care. Without this funding, public transit agencies, particularly those that rely on fare revenue for a significant portion of their operating budgets, will be required to suspend or drastically curtail such services. These impacts will begin to be felt as soon as next month and, therefore, cannot wait for action. Moreover, without this funding, public transit agencies may need to delay critical capital projects and halt procurements, steps that will have ripple effects on the construction sector and domestic manufacturing and supply chains.

As proposed by APTA, the \$16 billion in emergency funding would offset the following direct costs and revenue losses:

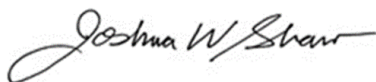
- **Direct Costs: \$1.75 billion.** Based on the APTA's survey of 163 transit agencies in the country, 98 percent of public transit agencies have significant increased direct costs because of COVID-19, such as increased cleaning of vehicles and facilities.
- **Farebox Revenue: \$7.65 billion.** APTA estimates a 75 percent farebox revenue loss over the March – September 2020 period and a 40 percent farebox revenue loss over the October – December 2020 period. In FY 2018, farebox revenue totaled \$16.09 billion.
- **Dedicated Sales Tax Revenue: \$6.25 billion.** APTA estimates a 75 percent dedicated sales tax revenue loss over the March – September 2020 period and a 40 percent sales tax revenue loss over the October – December 2020 period. In FY 2018, dedicated sales tax revenue for public transportation totaled \$13.17 billion.
- **Restart Costs: \$350 million.** APTA anticipates that public transit agencies will also face costs associated with restarting operations, including retraining workers.

In the coming days, we will continue to communicate with you and your staff to highlight *in detail* the impacts of the pandemic on California's transit agencies. Please know that emergency funding for public transportation – delivered as early in this crisis as possible – is critically important as we work to maintain essential lifeline services in our communities.

If you have any questions about this request, please contact me at 916-446-4656.

Thank you for your consideration.

Sincerely,



Joshua W. Shaw  
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

