

Testimony of
Bill Carpenter
Chief Executive Officer, Rochester-Genesee Regional
Transportation Authority (RGRTA)
President, New York Public Transit Association
(NYPTA)

At the Joint Hearing of the

Senate Standing Committee on Finance
&
Assembly Standing Committee on Ways and Means

Concerning the SFY 2018-19 Executive Budget Proposal
Relating to Transportation

Albany, NY

Thursday, January 25, 2018

9:30 AM

Hearing Room B

Thank you, Chairwoman Weinstein and Chairwoman Young, for giving the New York Public Transit Association (NYPTA) the opportunity to testify today about Governor Andrew Cuomo's proposed 2018-19 Executive Budget. My name is Bill Carpenter; I am the Chief Executive Officer for the Rochester-Genesee Regional Transportation Authority and the President of NYPTA. NYPTA members include over 100 transit systems, private sector manufacturers and suppliers, and community advocates. Our systems employ over 75,000 workers and the funding you provide supports thousands of private sector jobs throughout the state.

Growing Demand for Mobility Choices

Transit is the lifeblood of economic development in New York. It provides the access and connections that make New York move and the economy flourish. Across the state, the public is demanding better connections and more travel options to work, education, shopping, healthcare and recreation. Changes in ridership and travel markets are placing new demands on transit – to access new job locations, address changing travel patterns, and meet travel needs in urban and rural areas.

Pioneering companies and their growing millennial, tech-savvy employees want frequent and reliable service, modern fare payment through smart cards and mobile ticketing, WiFi to stay connected, and real-time schedule information. Senior citizens want to age in place and maintain a high level of independence but want to do so without a car. Schools want to make it easier for students to achieve success in and out of the classroom. And healthcare systems want their patients to have fast, reliable access to appointments and pharmacies to get medications. It takes a robust, well-funded transit system to meet these growing demands while maintaining essential services for those who rely solely on transit.

Thanks to the efforts of the Governor and Legislature, the State's transformative initiatives impacting the economy, poverty, energy and the environment are starting to work. The best way to ignite these efforts and ensure they are successful well into the future is to strengthen investment in transit. Funding levels that barely maintain current services will not provide the resources for transit to be the partner necessary for success.

Our transit systems want to support the increasing transportation demands that this success is generating, and provide travel options that communities deserve, and businesses need, to grow and thrive in the 21st century. Significant and meaningful investment will supplement and complement the state's already successful revitalization efforts.

Reimagine Transit – A 3-Year Plan to Transform Transit and Accelerate New York's Economy

We need to reimagine transit - to provide the system and services necessary to respond to changing travel needs and support the economy. NYPTA recommends development of a 3-year plan to increase state investment in transit service for upstate and downstate non-MTA transit, with adequate funding levels to transform service and accelerate improvements.

A \$20 million increase in State Transit Operating Aid to upstate systems and a \$30 million increase to downstate non-MTA systems would provide meaningful resources to kick-start this transformation. These funding levels can be achieved in 2018-19 without new taxes or fees by reassigning existing state resources.

Such a plan will allow upstate and suburban downstate transit systems to provide the type and quality of service that responds to the demands for increased mobility from businesses and communities, increases access to new employment opportunities, and enhances and spurs growth in jobs and economic development. The outcome will be high-quality transit service across the state, similar to the vision the Governor has outlined for a reimagined MTA.

We have previously provided all Legislators with a copy of our “Invest in Transit” brochure that describes the needs and impacts of our reimagine transit proposal, including specific examples of service improvements in communities across the state.

Executive Budget Transit Operating Aid

The Executive Budget provides a 7.4% increase in overall operating aid to the MTA, which is vital to improve service in the NYC metro area, but only a 1% increase for all other transit systems throughout the state. Other funding sources from the federal and local governments are flat at best. Transit systems work constantly to maximize their efficiency, but many expenses are beyond their control. Transit systems struggle to maintain service while expenses such as health care, public employee pensions and workers comp costs rise faster than inflation.

Action Is Needed on Both the MTA and Statewide Transit Funding

The Governor’s “Fix NYC” advisory panel recently presented a congestion pricing proposal to increase funding to the MTA. Transit systems and their riders throughout the state support a long-term solution on MTA funding, and these transit riders deserve action to fund their services too. Predictable growth in operating support is necessary for upstate and downstate transit systems to continue essential services that are so important to millions of New Yorkers. The last state funding package for the MTA in 2009 left all other transit riders behind. We should not make this mistake again.

The funding needs of all transit systems should be addressed together as part of action to fund the MTA.

Maintain Infrastructure Investment

This past summer, NYSDOT released the first 3 years of funding from the 5-year program. Transit systems have quickly programmed these long-awaited funds for near-term projects that will improve the infrastructure and support service to the public. Funds will be used to replace over-age buses, rehabilitate deteriorating passenger and maintenance facilities, and implement new technology such as real-time information and modern fare payment.

The lack of growth in federal transit aid makes it even more essential that state capital funding continue to grow and be delivered in a timely and predictable manner - to allow transit systems to efficiently plan their capital projects. Increased flexibility in the use of these funds will allow transit systems to make investments that best match local conditions.

We are thankful for the \$84.5 million in capital funding proposed in the Executive Budget, but this is \$20 m. less than the level provided in the current year. There are still significant unfunded transit capital needs throughout the state that can benefit from increased investment.

NYPTA recommends an additional \$20 million in capital funding be added to the Executive Budget for non-MTA transit systems to maintain the \$104.5 million funding level provided in 2017-18.

Replace Lost Revenue to Rural Transit Systems

Many of our upstate rural and small urban transit systems are struggling to maintain basic services as a result of the state’s change in the way that non-emergency medical transportation is arranged. The impact of lost Medicaid ridership and revenue on rural transit has resulted in service reductions to the general public and threatens the viability of transportation to those who need it most. The executive budget unfortunately does not continue past state supplemental aid to support these rural transit systems.

NYPTA Recommends:

- \$5 million in permanent funding from the Department of Health to small urban and rural transit systems so that essential services can be retained;
- Improve the allocation of this aid by making it available by June 1 and using a formula based on need;
- Enact legislation introduced by Senator O'Mara (S.7421) to activate the Interagency Coordinating Committee on Rural Public Transportation and require annual reporting of recommendations.

Article 7 Legislation

The Federal Transit Administration has imposed increased rail transit safety oversight requirements on states, with severe funding penalties for non-compliance. Failure to comply will result in the withholding of \$1.6 billion in annual federal transit funding for transit systems throughout the state. The Executive Budget contains a simple legislative fix that would allow the state's Public Transportation Safety Board (PTSB) to comply with the new federal requirements.

NYPTA supports enactment of state legislation in 2018, as proposed in the Executive Budget, to bring New York into compliance with federal rail transit state safety oversight requirements.

Conclusion

New York benefits in many ways from the more than 100 transit systems throughout the State. Increasing investment in transit can ignite the economy, grow jobs, provide more connections and better, safer and more reliable service. Increased investment also creates and retains thousands of jobs in the state's transit manufacturing and supply industry.

People want and need more transportation choices, which are vital for communities to grow. Now is the time to increase investment in transit services statewide, as mobility and access are critical to the state's economic success.

NYPTA thanks you for your past support of public transit. We are committed to working alongside the Governor and the Legislature to ensure that all New York transit systems can meet the new demands for service and support growth in our communities.