

# REVENUE, RIDERSHIP, AND POST-PANDEMIC LESSONS IN PUBLIC TRANSIT

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(118-62)

HEARING  
BEFORE THE  
SUBCOMMITTEE ON  
HIGHWAYS AND TRANSIT  
OF THE  
COMMITTEE ON  
TRANSPORTATION AND  
INFRASTRUCTURE  
HOUSE OF REPRESENTATIVES  
ONE HUNDRED EIGHTEENTH CONGRESS  
SECOND SESSION

JUNE 13, 2024

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CONTENTS		Page
Summary of Subject Matter .....		vii
STATEMENTS OF MEMBERS OF THE COMMITTEE		
Hon. Eric A. “Rick” Crawford, a Representative in Congress from the State of Arkansas, and Chairman, Subcommittee on Highways and Transit, opening statement .....		1
Prepared statement .....		3
Hon. Eleanor Holmes Norton, a Delegate in Congress from the District of Columbia, and Ranking Member, Subcommittee on Highways and Transit, opening statement .....		4
Prepared statement .....		5
Hon. Rick Larsen, a Representative in Congress from the State of Washington, and Ranking Member, Committee on Transportation and Infrastructure, opening statement .....		7
Prepared statement .....		8
WITNESSES		
M.J. Maynard, Chief Executive Officer, Regional Transportation Commission of Southern Nevada, on behalf of the American Public Transportation Association, oral statement .....		10
Prepared statement .....		12
Laura Hendricks, Chief Executive Officer, Transdev U.S., on behalf of the North American Transit Alliance, oral statement .....		20
Prepared statement .....		22
Marc Scribner, Senior Transportation Policy Analyst, Reason Foundation, oral statement .....		26
Prepared statement .....		27
Greg Regan, President, Transportation Trades Department, AFL–CIO, oral statement .....		35
Prepared statement .....		37
SUBMISSIONS FOR THE RECORD		
Post-Hearing Supplement to Remarks from Laura Hendricks, Chief Executive Officer, Transdev U.S., on behalf of the North American Transit Alliance ....		69
Letter of June 13, 2024, to Hon. Eric A. “Rick” Crawford, Chairman, and Hon. Eleanor Holmes Norton, Ranking Member, Subcommittee on Highways and Transit, from John Samuelsen, International President, Transportation Workers Union of America, AFL–CIO, Submitted for the Record by Hon. Eleanor Holmes Norton .....		81
APPENDIX		
Questions to M.J. Maynard, Chief Executive Officer, Regional Transportation Commission of Southern Nevada, on behalf of the American Public Transportation Association, from:		
Hon. Eric A. “Rick” Crawford .....		85
Hon. Greg Stanton .....		86
Hon. Henry C. “Hank” Johnson, Jr. ....		88
Question from Hon. Greg Stanton to Laura Hendricks, Chief Executive Officer, Transdev U.S., on behalf of the North American Transit Alliance .....		89
Questions from Hon. Eric A. “Rick” Crawford to Marc Scribner, Senior Transportation Policy Analyst, Reason Foundation .....		89
Questions from Hon. Henry C. “Hank” Johnson, Jr. to Greg Regan, President, Transportation Trades Department, AFL–CIO .....		91





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U.S. House of Representatives  
Washington, DC 20515

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JUNE 10, 2024

**SUMMARY OF SUBJECT MATTER**

TO: Members, Subcommittee on Highways and Transit  
FROM: Staff, Subcommittee on Highways and Transit  
RE: Subcommittee on Highways and Transit Hearing on “*Revenue, Ridership, and Post-Pandemic Lessons in Public Transit*”

**I. PURPOSE**

The Subcommittee on Highways and Transit of the Committee on Transportation and Infrastructure will meet on Thursday, June 13, 2024, at 11:00 a.m. ET in 2167 Rayburn House Office Building to receive testimony at a hearing entitled, “*Revenue, Ridership, and Post-Pandemic Lessons in Public Transit*.” The purpose of the hearing is to review current transit ridership and revenue, assess the implementation of programs authorized in the Infrastructure Investment and Jobs Act (IIJA) (P.L. 117–58) related to improving transit system infrastructure, operations, and safety, and consider lessons learned from post-pandemic transit agency operational adaptations. At the hearing, Members will receive testimony from witnesses on behalf of the American Public Transportation Association (APTA), the North American Transit Alliance (NATA), the Reason Foundation, and the Transportation Trades Department (TTD), AFL–CIO.

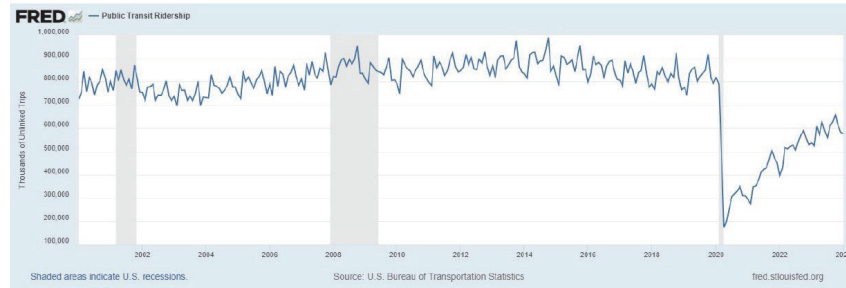
**II. BACKGROUND: IMPACTS OF COVID–19 PANDEMIC ON TRANSIT**

A decade ago, in October 2014, transit ridership was recorded at a high of nearly 990 million rides that month.<sup>1</sup> From that peak until the pandemic, National ridership levels largely stayed between 700 million and 900 million, but trended downward, as shown on the chart below.<sup>2</sup> Public transportation ridership declined by about seven percent in the years before COVID–19 due to a combination of factors, including the relatively low cost of driving, the rise of shared ride and micromobility options, and the continued decentralization of jobs and housing.<sup>3</sup>

<sup>1</sup>FEDERAL RESERVE BANK OF ST. LOUIS, *Public Transit Ridership*, (last accessed May 22, 2024), available at <https://fred.stlouisfed.org/series/TRANSIT>.

<sup>2</sup>*Id.*

<sup>3</sup>WILLIAM J. MALLETT, CONG. RSCH SERV., (IN11913), PUBLIC TRANSPORTATION FACES POST-PANDEMIC CHALLENGES, (Apr. 18, 2022), available at <https://crsreports.congress.gov/product/pdf/IN/IN11913> [hereinafter Mallett].



The COVID-19 pandemic had a sharp impact on public transportation.<sup>4</sup> Frontline transit workers, who stayed on the job to ensure other essential workers could access their workplaces, were among the many tragic deaths attributable to COVID-19 in America.<sup>5</sup> Transit agencies Nationwide experienced declining ridership in the early days of the pandemic and ridership on the Nation's transit systems has yet to recover fully from the disruption of COVID-19, including the lasting changes to travel, work, and commuting patterns by Americans.<sup>6</sup> By April 2020, the COVID-19 pandemic and various suggested and mandated mitigation practices caused monthly ridership to plummet by more than 78 percent.<sup>7</sup> Some larger systems saw a drop in ridership of up to 90 percent.<sup>8</sup> These dramatic decreases in ridership and associated fare collections forced local transit agencies to consider dynamic changes to operational strategies.<sup>9</sup> By July 2020, nearly 50 percent of transit agencies reported service modifications in response to the loss of riders whose daily travel had lessened.<sup>10</sup> This loss of fare-paying riders, paired with decreased local sales tax collections, created a historic deficiency of incoming revenue for transit systems.<sup>11</sup>

The Federal Transit Administration (FTA), which administers Federal financial assistance to the Nation's public transportation agencies, distributed almost \$70 billion in emergency supplemental funding enacted by Congress to systems to cover short-term budget gaps due to the reduction in farebox returns and increased costs resulting from COVID-19 requirements.<sup>12</sup> Of the total, Congress provided \$25 billion in the Coronavirus Aid, Relief, and Economic Security (CARES) Act, (P.L. 116-136), \$14 billion in the Coronavirus Response and Relief Supplemental Appropriations Act (CRRSAA) (P.L.116-260), and \$30.5 billion in the American Rescue Plan (ARPA) (P.L. 117-2).<sup>13</sup>

Emergency COVID supplemental funding for transit agencies enacted by Congress, much of which was eligible to be expended for transit agency operating expenses, was greater than three times the amount recovered from fares and addi-

<sup>4</sup>JOHNS HOPKINS UNIVERSITY OF MEDICINE, CORONAVIRUS RESOURCE CENTER, *United States Overview*, (last updated Mar. 10, 2023), available at <https://coronavirus.jhu.edu/region/united-states>.

<sup>5</sup>Dana Rubinstein, *MTA Agrees to Give Death Benefits to Scores of Coronavirus Victims' Families*, POLITICO, (Apr. 14, 2020), available at <https://www.politico.com/states/new-york/albany/story/2020/04/14/mta-agrees-to-give-death-benefits-to-scores-of-coronavirus-victims-families-1275743>.

<sup>6</sup>AMERICAN PUBLIC TRANSIT ASSOCIATION, *MOVING THROUGH THE CRISIS: MOBILITY RECOVERY & RESTORATION TASK FORCE REPORT*, (Oct. 2020) available at <https://www.apta.com/wp-content/uploads/APTA-Task-Force-Report-2020.pdf>.

<sup>7</sup>*Id.*

<sup>8</sup>Robert Puentes, *COVID's Differing Impact on Transit Ridership*, ENO CENTER FOR TRANSPORTATION, (Apr. 24, 2020), available at <https://enotrans.org/article/covids-differing-impact-on-transit-ridership/>.

<sup>9</sup>Mallett, *supra* note 3.

<sup>10</sup>*Moving the Nation Through Crisis: Mobility Recovery & Restoration Task Force Report*, APTA, (Oct. 2020), available at <https://www.apta.com/wp-content/uploads/APTA-Task-Force-Report-2020.pdf>.

<sup>11</sup>*Id.*

<sup>12</sup>CONGRESSIONAL BUDGET OFFICE, *FEDERAL FINANCIAL SUPPORT FOR PUBLIC TRANSPORTATION*, (Mar. 2022), available at <https://www.cbo.gov/publication/57940>.

<sup>13</sup>DEPT OF TRANSP., FTA, *Coronavirus Aid, Relief, and Economic Security (CARES) Act*, (last updated Feb. 19, 2021), available at <https://www.transit.dot.gov/cares-act>; DEPT OF TRANSP., FTA, *Coronavirus Response and Relief Supplemental Appropriations Act (CRRSAA) Transit Infrastructure Grants*, (Jan. 8, 2021), available at <https://www.transit.dot.gov/regulations-and-programs/legislation/coronavirus-response-and-relief-supplemental-appropriations>; DEPT OF TRANSP., FTA, *American Rescue Plan Act of 2021*, (last accessed May, 22, 2024), available at <https://www.transit.dot.gov/funding/american-rescue-plan-act-2021>.



tional operating revenue in 2019.<sup>14</sup> Non-emergency Federal transit funding typically cannot be expended on transit agency operating expenses in large urbanized areas. Labor costs, which include wages, salaries, and pension benefits, made up more than half of all operating expenses for transit agencies in 2022.<sup>15</sup> Allowing emergency funding to be used on operating expenses kept transit workers on the job and helped maintain essential mobility services.

As pandemic-era restrictions waned and new work arrangements and traveling patterns developed, public transportation agencies were forced to reorient services and operations to meet new commuter habits.<sup>16</sup>

### III. FARE REVENUE AND TRANSIT RIDERSHIP

#### *FARE REVENUE*

In 2019, fare revenues totaled \$15.8 billion and accounted for 23.5 percent of public transportation agency operating and capital budgets, with income from state, local and Federal programs filling the remaining budget gaps.<sup>17</sup> Nationwide, transit agency fare revenue dropped by nearly half to \$8.7 billion in 2020.<sup>18</sup> By the end of 2022, total fare revenue recovery across National transit systems had reached \$8.94 billion, still down more than \$7 billion from pre-pandemic levels, due in part to a combination of decreased ridership numbers and agencies providing various levels of subsidized fares.<sup>19</sup>

These dramatic decreases in fare revenue forced local transit agencies to consider dynamic changes to operational strategies.<sup>20</sup> By July 2020, nearly 50 percent of transit agencies reported service modifications in response to the loss of riders whose daily travel had lessened.<sup>21</sup> Reporting year 2022 data also reveals that different modes of public transportation recovered fare revenue at variable rates, with commuter rail and light rail systems reporting the lowest fare recovery, down 51 percent from pre-pandemic levels.<sup>22</sup> The ridership and fare recovery for metropolitan transit agencies were more greatly impacted as commuter behaviors shifted after the pandemic.<sup>23</sup>

In order to accommodate changing needs, some public transportation agencies have expanded on-demand services or contracted with private sector service providers with the goal of enhancing efficiencies and providing essential workers and riders transportation services.<sup>24</sup> Some transit agencies, including legacy transit systems, introduced or expanded reduced-fare or zero-fare programs, enhancing mobility and access but generating less fare revenue.<sup>25</sup>

<sup>14</sup> WILLIAM J. MALLET, CONG. RSCH SERV. (R47900), FEDERAL SUPPORT OF PUBLIC TRANSPORTATION OPERATING EXPENSES, (Jan. 18, 2024), available at <https://crsreports.congress.gov/product/pdf/R/R47900> [hereinafter CRS Report R47900].

<sup>15</sup> DEPT OF TRANSP., FTA OFFICE OF BUDGET AND POLICY, *Single Summary of Transit Report: 2022 Edition*, (last updated Jan. 3, 2024), available at [https://www.transit.dot.gov/sites/fta.dot.gov/files/2024-01/2022-Single-Summary-of-Transit\\_v1\\_1.pdf](https://www.transit.dot.gov/sites/fta.dot.gov/files/2024-01/2022-Single-Summary-of-Transit_v1_1.pdf).

<sup>16</sup> Parth Doshi et al., *Adapting to the Future: Transformative Actions for Transit Agencies in a Post-COVID Era*, BOSTON CONSULTING GROUP, (June 2023), available at <https://web-assets.bcg.com/3d/00/ff2c27f34d93a43554175899c967/adapting-to-the-future-transformative-actions-for-transit-agencies-in-a-post-covid-era.pdf>.

<sup>17</sup> CRS Report R47900, *supra* note 14.

<sup>18</sup> Garrett Shrode, *The Mass Transit Fiscal Cliff: Estimating the Size and Scope of the Problem*, ENO CENTER FOR TRANSPORTATION, (Sep. 19, 2022), available at <https://enotrans.org/article/the-mass-transit-fiscal-cliff-estimating-the-size-and-scope-of-the-problem/>.

<sup>19</sup> Jeff Davis, *Transit Farebox Revenues in 2022 Were Still 44% Below Pre-COVID Levels*, ENO CENTER FOR TRANSPORTATION, (Nov. 13, 2023), available at <https://enotrans.org/article/transit-farebox-revenues-in-2022-were-still-44-below-pre-covid-levels/>.

<sup>20</sup> Mallett, *supra* note 3.

<sup>21</sup> *Moving the Nation Through Crisis: Mobility Recovery & Restoration Task Force Report*, APTA, (Oct. 2020), available at <https://www.apta.com/wp-content/uploads/APTA-Task-Force-Report-2020.pdf>.

<sup>22</sup> *Id.*

<sup>23</sup> Mallett, *supra* note 3.

<sup>24</sup> Jenni Bergal, *In Some Cities, On-demand Public Transit is Replacing Old-fashioned Buses*, FAST COMPANY, (Aug. 24, 2022), available at <https://www.fastcompany.com/90781665/in-some-cities-on-demand-public-transit-is-replacing-old-fashioned-buses>.

<sup>25</sup> Jenni Bergal, *Transit Agencies Dangle Discounts and Perks to Woo Riders*, STATELINE, (June 13, 2022), available at <https://stateline.org/2022/06/13/transit-agencies-dangle-discounts-and-perks-to-woo-riders/>.

# TRANSIT RIDERSHIP

Transit riders took 9.7 billion transit trips in 2019, and in 2023, that number reached 7.1 billion after the dramatic drops of the pandemic.<sup>26</sup> Trips on transit, however, are not equally spread among the population because close to half of all Americans do not have access to public transportation.<sup>27</sup> Only 3.1 percent of Americans report using public transportation to travel to or from work whereas a majority of Americans report driving to work alone.<sup>28</sup> Commuting trips only make up 50 percent of transit rides, while 37 percent of trips are for shopping and recreation.<sup>29</sup> Additionally, 70 percent of all public transit commuters reside in one of seven major metropolitan areas: Boston, Chicago, Los Angeles, New York City, Philadelphia, San Francisco, and Washington, D.C.<sup>30</sup> The density of ridership, however, does not make transit in other areas of the country unimportant, as riders in those areas also rely on public transportation for access to health care, places of employment, goods, and services.<sup>31</sup> According to 2018 Census data, an estimated 2.8 million essential workers Nationwide relied on public transit to commute to their jobs, including 600,000 who work in hospitals, doctors' offices, or healthcare providers; 165,000 who work in grocery stores or pharmacies; and 150,000 who work in social services.<sup>32</sup>

An April 2024 quarterly ridership update found that overall public transit ridership, without denoting fare recovery, had reached 79 percent of pre-pandemic levels by the fourth quarter of 2023.<sup>33</sup> Different public transportation modes, however, reported a wide disparity in ridership recovery totals with bus transit recording the highest return percentage versus pre-pandemic numbers at 81 percent and commuter rail the lowest, reporting only 65 percent.<sup>34</sup>

Peak in-person office occupancy in urban areas averaged around 60 percent of pre-pandemic levels whereas earlier this year, office building vacancies in major American cities measured 19.6 percent, affecting demand for transit for some office workers.<sup>35</sup> As of January 2024, 20 to 25 percent of American workers operated on hybrid schedules, combining work-from-home and in-office attendance at least part of the work week, a number that averaged just three percent prior to the pandemic.<sup>36</sup> Though additional shifts towards required in-office attendance may occur, the preservation of hybrid work arrangements and work-from-home accommodations are expected to remain in effect long-term, according to the National Bureau of Economic Research.<sup>37</sup>

Another factor affecting transit ridership is car ownership. Nationwide, about nine percent of households do not have a personal vehicle, and for some communities, the percentage is higher.<sup>38</sup> Transit is one alternative for Americans who cannot or chose

<sup>26</sup> APTA, *Research Reports*, (last accessed Jun. 7, 2024), available at <https://www.apta.com/research-technical-resources/research-reports/>.

<sup>27</sup> Sara Chernikoff, *Most Americans are in support of public transit, but 3% use it to commute*, USA TODAY, (May 28, 2024), available at <https://www.usatoday.com/story/news/nation/2024/05/28/public-transportation-usage-united-states-after-covid/73802157007/>.

<sup>28</sup> *Id.*

<sup>29</sup> APTA, *2023 Public Transportation Fact Book*, (March 2024), available at <https://www.apta.com/wp-content/uploads/APTA-2023-Public-Transportation-Fact-Book.pdf>.

<sup>30</sup> *Id.*

<sup>31</sup> *Rural Transportation Challenges: Stakeholder Perspectives: Hearing Before the Subcomm. on Highways and Transit of the H. Comm. on Transp. and Infrastructure*, 118th Cong. (2024), (Testimony of Todd Morrow).

<sup>32</sup> TRANSIT CENTER, *Transit is Essential: 2.8 Million U.S. Essential Workers Ride Transit to their Jobs*, (Mar. 24, 2020), available at <https://transitcenter.org/2-8-million-u-s-essential-workers-ride-transit-to-their-jobs/>.

<sup>33</sup> Dan Zukowski, *Transit Ridership is 16% in 2023: APTA Report*, SMART CITIES DIVE, (Apr. 10, 2024), available at <https://www.smartcitiesdive.com/news/public-transit-ridership-grew-apta-report/712737/>.

<sup>34</sup> Jared Bonina and Matthew Dickens, *APTA Public Transportation Ridership Update*, APTA, (Apr. 2024), available at <https://www.apta.com/wp-content/uploads/APTA-POLICY-BRIEF-Transit-Ridership-04.01.2024.pdf>.

<sup>35</sup> *Getting America Back to Work*, KASTLE, (last accessed May 22, 2024), available at <https://www.kastle.com/safety-wellness/getting-america-back-to-work/>; Konrad Putzier, *Offices Around America Hit a New Vacancy Record*, WALL ST. J., (Jan. 8, 2024), available at [https://www.wsj.com/real-estate/commercial/offices-around-america-hit-a-new-vacancy-record-166d98a5?mod=hp\\_lead\\_pos5](https://www.wsj.com/real-estate/commercial/offices-around-america-hit-a-new-vacancy-record-166d98a5?mod=hp_lead_pos5).

<sup>36</sup> Emily Peck, *The Return-to-office Wars are Over*, AXIOS, (Jan. 16, 2024), available at <https://www.axios.com/2024/01/16/ceo-return-to-office-wars>.

<sup>37</sup> Jose Barrero et al., *Why Working From Home Will Stick*, NATIONAL BUREAU OF ECONOMIC RESEARCH, (Apr. 2021), available at [https://www.nber.org/system/files/working\\_papers/w28731/w28731.pdf](https://www.nber.org/system/files/working_papers/w28731/w28731.pdf).

<sup>38</sup> *Car Access: Everyone Needs Reliable Transportation and in Most Communities That Means a Car*, NATIONAL EQUITY ATLAS, available at [https://nationalequityatlas.org/indicators/Car\\_access](https://nationalequityatlas.org/indicators/Car_access).

not to drive a personal car. Another consideration affecting ridership is the safety of public transportation. According to APTA, traveling by transit is 10 times safer per mile than traveling by automobile.<sup>39</sup>

After years of decline, violent crime rose in communities of all types during the COVID-19 pandemic.<sup>40</sup> Transit systems are open transportation modes that do not require a ticketed reservation, unlike air trips, and they occur in shared space, unlike a personal vehicle. Some types of violent crime and assaults on and around transit systems have been steadily on the rise since the pandemic. Assaults increased by 13 percent by the end of 2022 and homicides, a statistic which includes negligent manslaughter, grew from 18 in 2019 to 50 in 2022.<sup>41</sup> During the same time period, reports of robbery decreased by 52 percent.<sup>42</sup> While these incidents and security challenges pose real risk to transit workers and the traveling public, recovering ridership and concurrent fare revenues can be challenging if transit riders feel unsafe.<sup>43</sup>

#### IV. ONGOING OPERATIONAL ADAPTATIONS

##### *CONTRACTED SERVICE AND ON-DEMAND TRANSIT*

Contracting with private partners can result in the delivery of cost-effective transit services for local agencies and provide additional focus on customer service for transit riders.<sup>44</sup> Nearly two thirds of transit agencies contract some, or all, of their operations, a practice that dates back decades.<sup>45</sup> At the same time, when transit agencies develop poor contracts, focus on the least-cost bidder, and provide inadequate worker compensation, the agencies and riders can be left with substandard, overpriced service and the private contractors must deal with suboptimal agreements.<sup>46</sup> Post-COVID, the prevalence of contracted services among transit agencies has increased, especially among those agencies operating in rural and suburban areas, both as a means to provide needed flexibility in service and staffing and to enhance responsiveness to meet shifting societal travel behaviors.<sup>47</sup>

Microtransit is a type of shared mobility transit that uses technology-enabled services to provide on-demand transportation, often along non-fixed route pathways.<sup>48</sup> Microtransit can provide broader mobility and access options, including first- and last-mile connections, service for seniors or people with disabilities, or to provide transit options in places that lack the density to support fixed-route bus service.<sup>49</sup> Microtransit can be operated as either an in-house service for public transportation agencies or on a contract basis with private providers.<sup>50</sup> Prior to the pandemic, microtransit increased in popularity among many traditional transit users, as technology developed to better directly connect users of the service to tran-

<sup>39</sup> APTA, *Public Transportation Facts*, (last accessed Jun. 7, 2024), available at <https://www.apta.com/news-publications/public-transportation-facts/>.

<sup>40</sup> BRENNAN CENTER FOR JUSTICE, *Myths and Realities: Understanding Recent Trends in Violent Crime* (July 12, 2022) available at [https://www.brennancenter.org/our-work/research-reports/myths-and-realities-understanding-recent-trends-violent-crime?gclid=Cj0KCQIAj4ecBhD3ARIsAM4Q\\_jGg-az7emFerr78dXXnoCA9hlEl1BvevFxQeYm\\_0xwCqfFR7Id8cjlAaIZKEALw\\_wcB&ms=gad\\_violent%20crime\\_617000456634\\_8626214133\\_143843260761](https://www.brennancenter.org/our-work/research-reports/myths-and-realities-understanding-recent-trends-violent-crime?gclid=Cj0KCQIAj4ecBhD3ARIsAM4Q_jGg-az7emFerr78dXXnoCA9hlEl1BvevFxQeYm_0xwCqfFR7Id8cjlAaIZKEALw_wcB&ms=gad_violent%20crime_617000456634_8626214133_143843260761).

<sup>41</sup> DEPT OF TRANSP., BUREAU OF TRANSP. STATISTICS, *Security Events of Crime by Transit Mode*, (last accessed May 28, 2024), available at <https://www.bts.gov/content/reports-violent-crime-property-crime-and-arrests-transit-mode>.

<sup>42</sup> *Id.*

<sup>43</sup> Dan Zukowski, *With Attacks on Public Transit Up, Cities Struggle to Make Riders Feel Safer*, SMART CITIES DIVE, (Sept 14, 2022), available at <https://www.smartcitiesdive.com/news/us-leads-violent-transit-crimes-nyc-los-angeles-san-francisco-philadelphia/631738/>.

<sup>44</sup> ENO CENTER FOR TRANSPORTATION, *Success Factors in Private Contracting for Public Transportation*, (Mar. 15, 2024), available at <https://enotrans.org/eno-resources/success-factors-in-private-contracting-for-public-transportation/>.

<sup>45</sup> *Id.*

<sup>46</sup> *Id.*

<sup>47</sup> Jenni Bergal, *Can Uber-like Public Transit Replace Old-Fashioned Buses?*, STATELINE, (Aug. 17, 2022), available at <https://stateline.org/2022/08/17/can-uber-like-public-transit-replace-old-fashioned-buses/>.

<sup>48</sup> DEPT OF TRANSP., FTA, *Shared Mobility Definitions*, (last updated Dec. 12, 2023), available at <https://www.transit.dot.gov/regulations-and-guidance/shared-mobility-definitions>.

<sup>49</sup> NATIONAL CENTER FOR APPLIED TRANSIT TECHNOLOGY, *Microtransit: What is it and Why Use it? Factsheet*, (May 24, 2022), available at <https://n-catt.org/guidebooks/microtransit-what-is-it-and-why-use-it-factsheet/>.

<sup>50</sup> Joel Volinski, *Micro transit or General Public Demand-Response Transit Services: State of the Practice*, TRANSIT COOPERATIVE RESEARCH PROGRAM, (2019), available at <https://nap.nationalacademies.org/catalog/25414/microtransit-or-general-public-demand-response-transit-services-state-of-the-practice>.

sit options and scheduling software provided efficiencies absent from the services provided by fixed-route operations.<sup>51</sup>

#### CHANGES TO TRANSIT FARES

In response to the loss of fare revenue resulting from decreased ridership, some transit agencies have implemented increased fares to meet budgetary demands. Large public transportation agencies such as New Jersey Transit and the Washington Metropolitan Area Transportation Authority (WMATA) have announced or implemented increased fares, as well as smaller agencies, such as MetroLink Tulsa in Oklahoma and the Napa Valley Transportation Authority in California.<sup>52</sup>

According to APTA, at least 35 United States transit agencies have eliminated fares, in an effort to increase ridership numbers, an option that primarily developed as agencies received FTA funding to cover operating costs but has continued in some places beyond the end of the pandemic.<sup>53</sup> Most of these transit agencies that have implemented fare-free systems are small or medium-sized.<sup>54</sup> Fare-free policies require transit agency budgets to identify alternative funding resources such as additional sales tax collections, state or local assessment programs, or a greater reliance on potential Federal funding intervention.<sup>55</sup>

#### BUS NETWORK REDESIGNS

Through a process of public comment and engagement, transit agencies can better understand where transit service will be most useful. Many legacy bus system maps were developed decades ago and a fresh approach to bus routing and service can respond to demographic and geographic changes of where people live, work, and recreate.<sup>56</sup>

The Transit Cooperative Research Program (TCRP), which is administered by the Transportation Research Board, defines “bus network redesigns” as a planning effort “in which transit agencies fundamentally alter the structure and organization of their bus networks.”<sup>57</sup> TCRP identified some of the objectives of a bus network redesigns as including: 1) increase ridership; 2) address congested corridors; 3) better match the system to current and future travel patterns; and, 4) to adapt to transit investments and new technologies.<sup>58</sup>

In recent years, dozens of transit agencies across the United States have started or completed bus network redesign efforts. A 2019 survey conducted by TCRP of 36 transit agencies representing 22 states and one Canadian province found that 17 (47 percent) of those agencies have implemented bus network redesigns, 16 (44 percent) were in the planning process, and three were actively considering them.<sup>59</sup> These 36 agencies were geographically diverse and varied in size and modes operated—15 of the systems operate in areas with no regular heavy, light or commuter rail service.<sup>60</sup> Small agencies surveyed represented communities in Clemson, South Carolina; Bloomington, Indiana; Erie, Pennsylvania; McAllen, Texas; Salem, Oregon; Boise, Idaho; and Wilmington, North Carolina.<sup>61</sup> Additionally, in the last five years, the following agencies have pursued bus network redesign efforts: New Jersey Transit; Washington Metropolitan Area Transit Authority; San Francisco Municipal

<sup>51</sup> *Id.*

<sup>52</sup> NEW JERSEY TRANSIT, *New NJ Transit Fares to Take Effect April 1*, (Mar. 27, 2002), available at <https://www.njtransit.com/press-releases/new-nj-transit-fares-take-effect-april-1>; Justin George, *Metro Approves First Fare Hike in Five Years, Discount for Low-income Riders*, WASH. POST, (Apr. 14, 2024), available at <https://www.washingtonpost.com/transportation/2023/04/14/dc-metro-fare-increase/>; Ben Abrams, *Tulsa Bus Fares to Increase July 1*, PUBLIC RADIO TULSA, (May 14, 2024), available at <https://www.publicradiotulsa.org/local-regional/2024-05-14/tulsa-bus-fares-to-increase-july-1>; <https://www.pressdemocrat.com/article/napa/napa-transit-agency-moving-to-increase-vine-transit-bus-fares/>.

<sup>53</sup> Nathaniel Meyersohn, *These Cities are Ending Fares on Transit. Here's Why*, CNN, (July 8, 2024), available at <https://www.cnn.com/2023/07/08/business/free-buses-us-public-transit/index.html>.

<sup>54</sup> *Id.*

<sup>55</sup> Mariel Kirschen et al., *Fare-Free Transit Evaluation Framework*, TRANSIT COOPERATIVE RESEARCH PROGRAM, (2023), available at <https://nap.nationalacademies.org/catalog/26732/fare-free-transit-evaluation-framework>.

<sup>56</sup> TRANSIT CENTER, *Bus Network Redesigns*, (Jul. 12, 2017), available at <https://transitcenter.org/wp-content/uploads/2017/07/BusNetworkRedesign.compressed-2.pdf>.

<sup>57</sup> Laura B. Byala, Katie Filardo, Oren Hirsch, Michael J. Walk, James P. Cardenas, and Jinuk Hwang, *Comprehensive Bus Network Redesigns*, TRANSPORTATION RESEARCH BOARD (2019), available at <https://doi.org/10.17226/25487>.

<sup>58</sup> *Id.*

<sup>59</sup> *Id.*

<sup>60</sup> *Id.*

<sup>61</sup> *Id.*

Transportation Agency; Massachusetts Bay Transportation Authority; and the New York Metropolitan Transportation Authority.<sup>62</sup>

## V. IIJA FUNDING AND SAFETY PROGRAMS

### FUNDING

IIJA, enacted in November 2021, reauthorized and expanded Federal public transportation agency programs. IIJA authorized \$108.2 billion for public transportation, the largest Federal investment in transit programs in United States history.<sup>63</sup> This legislation authorized historic increases for both formula and discretionary funding, as well as provided advanced appropriations for transit programs.<sup>64</sup> IIJA has provided a 77 percent increase over FTA annual funding amounts compared to the previous authorization period.<sup>65</sup>

Over the five-year span of IIJA, the law authorizes and appropriates \$33.5 billion to UZA Grants, \$4.6 billion for Rural Area Formula Grants, \$23 billion for the Capital Investment Grant program, \$23.1 billion for State of Good Repair Grants for transit system repair and maintenance, \$5.6 billion for low- or no-emission vehicle grants, and nearly \$4 billion for transit system accessibility and mobility grant programs.<sup>66</sup> IIJA also provided approximately \$50 million annually, on average, for the State Safety Oversight program, which supports the oversight of safety on rail fixed guideway transit systems not under the jurisdiction of the Federal Railroad Administration.<sup>67</sup> These funding amounts constitute a 77 percent increase over the prior FTA authorization included in the Fixing America's Surface Transportation (FAST) Act (P.L. 114-94).<sup>68</sup>

### SAFETY PROGRAMS

IIJA also included provisions to continue and update FTA-administered programs dedicated to transit rider and transit worker safety, including updates to improve safety training and reduce assaults on transit workers, revisions to transit agency safety plans, the creation of new joint labor-management safety committees, and the issuance of updated standards for transit worker protections.<sup>69</sup> On December 20, 2023, FTA published Proposed General Directive 24-1: Required Actions Regarding Assaults on Transit Workers, seeking comments on proposals to address transit worker assaults and mitigation tactics to include in Agency Safety Plans.<sup>70</sup> On March 25, 2024, FTA published a Notice of Proposed Rulemaking related to Rail Transit Roadway Worker Protection, including new performance standard measures to prevent accidents, incidents, fatalities, and injuries to transit workers in rail

<sup>62</sup> NEW JERSEY TRANSIT, *NewBus*, (last accessed Jun. 6, 2024), available at <https://www.njtransit.com/newbus>; WASHINGTON METROPOLITAN AREA TRANSIT AUTHORITY, *Better Bus: About the Project*, (last accessed Jun. 7, 2024), available at <https://wmata.com/initiatives/plans/Better-Bus/about-the-project.cfm>; SAN FRANCISCO METROPOLITAN AUTHORITY, *Muni Forward: More Reliable Transit for San Francisco*, (last accessed Jun. 7, 2024), available at <https://www.sfmta.com/projects/muni-forward>; MASSACHUSETTS BAY TRANSPORTATION AUTHORITY, *Bus Network Redesign*, (last accessed Jun. 7, 2024), available at <https://www.mbta.com/projects/bus-network-redesign>.

<sup>63</sup> DEPT OF TRANSP., FTA, *Bipartisan Infrastructure Law*, (last updated Nov. 15, 2023), available at <https://www.transit.dot.gov/BIL>.

<sup>64</sup> DEPT OF TRANSP., FTA, *Building Better Transit*, (Jan. 7, 2022), available at <https://www.transit.dot.gov/sites/fta.dot.gov/files/2022-01/FTA-BIL-Implementation-Webinar-Presentation-01-07-2022.pdf>.

<sup>65</sup> CONG. RSCH SERV., FEDERAL PUBLIC TRANSPORTATION PROGRAM: IN BRIEF, (R47002), (Mar. 15, 2024), available at <https://crsreports.congress.gov/product/pdf/R/R47002>; DOT, *Infrastructure Investment and Jobs Act Authorized Funding*, (last accessed Jun. 7, 2024), available at [https://www.transportation.gov/sites/dot.gov/files/2022-01/DOT\\_Infrastructure\\_Investment\\_and\\_Jobs\\_Act\\_Authorization\\_Table\\_%28IIJA%29.pdf](https://www.transportation.gov/sites/dot.gov/files/2022-01/DOT_Infrastructure_Investment_and_Jobs_Act_Authorization_Table_%28IIJA%29.pdf); DOT, FTA, *FAST Act Estimated Program Totals*, (Dec. 1, 2015), available at [https://www.transit.dot.gov/sites/fta.dot.gov/files/docs/FAST\\_ACT\\_FTA\\_Program\\_Totals.pdf](https://www.transit.dot.gov/sites/fta.dot.gov/files/docs/FAST_ACT_FTA_Program_Totals.pdf).

<sup>66</sup> DEPT OF TRANSP., *Supra*, note 63.

<sup>67</sup> DEPT OF TRANSP., FTA, *Fact Sheet: Public Transportation Safety Program*, (Dec. 9, 2023), available at <https://www.transit.dot.gov/funding/grants/fact-sheet-public-transportation-safety-program>.

<sup>68</sup> DEPT OF TRANSP., *Infrastructure Investment and Jobs Act Authorized Funding*, (last accessed Jun. 7, 2024), available at [https://www.transportation.gov/sites/dot.gov/files/2022-01/DOT\\_Infrastructure\\_Investment\\_and\\_Jobs\\_Act\\_Authorization\\_Table\\_%28IIJA%29.pdf](https://www.transportation.gov/sites/dot.gov/files/2022-01/DOT_Infrastructure_Investment_and_Jobs_Act_Authorization_Table_%28IIJA%29.pdf); DOT, FTA, *FAST Act Estimated Program Totals*, (Dec. 1, 2015), available at [https://www.transit.dot.gov/sites/fta.dot.gov/files/docs/FAST\\_ACT\\_FTA\\_Program\\_Totals.pdf](https://www.transit.dot.gov/sites/fta.dot.gov/files/docs/FAST_ACT_FTA_Program_Totals.pdf).

<sup>69</sup> DEPT OF TRANSP., *Supra*, note 63.

<sup>70</sup> Proposed General Directive 24-1: Required Actions Regarding Assaults on Transit Workers, 88 Fed. Reg. 88213 (Dec. 20, 2023), available at <https://www.federalregister.gov/documents/2023/12/20/2023-28002/proposed-general-directive-24-1-required-actions-regarding-assaults-on-transit-workers>.

transit rights-of-way.<sup>71</sup> IIJA also updated the requirements for FTA’s National Public Transportation Safety Plan and the requirements for transit agency Public Transportation Agency Safety Plans, including requirements that FTA update safety management system processes, expand de-escalation training, and promulgate measures to address safety risks, including assaults, for transit workers.<sup>72</sup> On April 9, 2024, FTA published a Final Rule updating Public Transportation Agency Safety Plan regulations requiring greater safety-related engagement between agency workers and management and updated safety data standards.<sup>73</sup>

#### VI. WITNESSES

- Ms. MJ Maynard, Chief Executive Officer, Regional Transportation Commission of Southern Nevada, *on behalf of the* American Public Transportation Association (APTA)
- Ms. Laura Hendricks, Chief Executive Officer, Transdev, U.S., *on behalf of the* North American Transit Alliance (NATA)
- Mr. Marc Scribner, Senior Transportation Policy Analyst, Reason Foundation
- Mr. Greg Regan, President, Transportation Trades Department, AFL–CIO

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<sup>71</sup> Rail Transit Roadway Worker Protection, 89 Fed. Reg. 20605, (Mar. 25, 2024), *available at* <https://www.federalregister.gov/documents/2024/03/25/2024-06251/rail-transit-roadway-worker-protection>.

<sup>72</sup> DEPT OF TRANSP., FTA, *Public Transportation Agency Safety Plans*, (last accessed May 22, 2024), *available at* <https://www.transit.dot.gov/PTASP>.

<sup>73</sup> DEPT OF TRANSP., FTA, *USDOT Finalizes Important National Regulation to Promote Transit Safety and Protect Transit Workers*, (Apr. 9, 2024), *available at* <https://www.transit.dot.gov/about/news/usdot-finalizes-important-national-regulation-promote-transit-safety-and-protect-transit>.

## REVENUE, RIDERSHIP, AND POST-PANDEMIC LESSONS IN PUBLIC TRANSIT

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THURSDAY, JUNE 13, 2024

HOUSE OF REPRESENTATIVES,  
SUBCOMMITTEE ON HIGHWAYS AND TRANSIT,  
COMMITTEE ON TRANSPORTATION AND INFRASTRUCTURE,  
*Washington, DC.*

The subcommittee met, pursuant to call, at 11 a.m., in room 2167 Rayburn House Office Building, Hon. Eric A. “Rick” Crawford (Chairman of the subcommittee) presiding.

Mr. CRAWFORD. The Subcommittee on Highways and Transit will come to order.

Before we begin, I want to take just a quick opportunity to wish my colleague, Ranking Member Holmes Norton, a happy birthday. And I am not going to sing, and I am not even going to ask how old you are, but I am just going to say happy birthday and wish you many happy returns of the day.

I ask unanimous consent that the chairman be authorized to declare a recess at any time during today’s hearing. Without objection, so ordered.

I also ask unanimous consent that Members not on the subcommittee be permitted to sit with the subcommittee at today’s hearing and ask questions. Without objection, so ordered.

As a reminder, if Members wish to insert a document into the record, please email it to DocumentsTI@mail.house.gov.

I now recognize myself for the purposes of an opening statement.

### **OPENING STATEMENT OF HON. ERIC A. “RICK” CRAWFORD OF ARKANSAS, CHAIRMAN, SUBCOMMITTEE ON HIGHWAYS AND TRANSIT**

Mr. CRAWFORD. I want to thank our witnesses for being here today and offering their perspectives on lessons learned in transit over the past several years.

Transit agencies provide transportation services in nearly every community across the country: big, small, rural, and urban.

In my home State of Arkansas, we have the Rock Region Metro in Little Rock that operates buses and a 3-mile streetcar, the University of Arkansas in Fayetteville maintains the local system, and the Jonesboro Economical Transportation, JET, allows my constituents to utilize bus service to get to and from work, school, healthcare appointments, and all sorts of other activities.

According to the Federal Transit Administration, our national system of transit providers includes nearly 3,000 agencies that operate around the country.

Like all industries, COVID had a huge impact on transit services, accelerating what were already declining ridership rates and causing a historic decline in overall ridership and fare revenue collections. Due to this, the FTA received significant funding in the various COVID relief bills. Specifically, FTA was provided nearly \$70 billion to distribute to transit agencies nationwide to cover short-term budgets gaps, primarily operating expenses such as labor costs.

The Infrastructure Investment and Jobs Act, or IIJA, was subsequently signed into law in November 2021, and provided a further \$108.2 billion for public transportation, the largest amount of funding for those programs in American history. For those keeping count, that is almost \$180 billion in Federal money that has been allocated since 2020 for transit programs.

IIJA alone provided a 77-percent increase over FTA funding amounts from the prior authorization, and all this money will be distributed to local transit agencies in just over a 6-year window of time.

One goal for today's hearing will be to gain a better understanding of how that massive amount of funding has been used. I also hope that our witnesses will provide us with the good, the bad, and the ugly in terms of changes to transit operations implemented in response to the impacts of COVID-19.

I referenced the \$70 billion the FTA received in pandemic relief funding, and it is important to point out that not all transit systems or agencies are created equal for the purposes of funding allotment. Transit, broadly, includes all sorts of transportation services, ranging from large bus systems and subways to ferries and paratransit.

The Nation's largest and longest operating systems are often referred to as "legacy systems." Major American cities which are home to these legacy systems include Boston, Chicago, New York, Philadelphia, San Francisco, and right here in Washington. Collectively, these six metropolitan regions received more than half—53.6 percent—of all urban FTA-apportioned funding from COVID relief packages. These cities also happen to be where reports of crime, assaults, and attacks on transit riders and workers have grown at an alarming rate.

In New York City, for example, the circumstances became so dangerous to the public that, earlier this year, the Governor was forced to deploy National Guard troops and State police officers to help patrol the subway system.

Last month, I joined many of my Republican colleagues in authoring a letter to FTA seeking more information about its safety and security training programs and how it plans to address the rising crime in and around transit systems. The overwhelming sense of fear and danger for many transit users escalates the challenge of increasing ridership to pre-pandemic numbers.

It is important that this subcommittee gain insight into how newly established ridership patterns are being considered by the transit industry. According to the National Transit Database, or NTD, the Federal repository for transit agency performance data, monthly ridership on transit reached an all-time high nearly a dec-



ade ago in October of 2014 and has been on a slow but steady trend downward since that time.

While the pandemic did cause an unprecedented loss of daily riders on transit systems, it only accelerated an ongoing trend. The latest data shows that national transit use has returned to about 79 percent of pre-pandemic levels. Seventy-nine percent is better than where those ridership numbers were a year ago, but it still means that about one out of every five revenue-generating riders from before the pandemic has not returned to regular use of the service.

So, how are transit agencies responding to this new normal to deliver to their customers? Some have expanded their use of private contracted services. Most have had to reorient services, routes, and other operations, and many, especially in large metro areas, have reduced or eliminated fares to try and draw riders back.

I hope that our witnesses will address those various strategies, including the financial math behind them, and provide us with facts on the ground about how those adaptations that have proven successful can be replicated.

[Mr. Crawford's prepared statement follows:]

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**Prepared Statement of Hon. Eric A. "Rick" Crawford, a Representative in Congress from the State of Arkansas, and Chairman, Subcommittee on Highways and Transit**

Transit agencies provide transportation services in nearly every community across this country—big, small, rural, and urban.

In my home state of Arkansas, we have the Rock Region Metro in Little Rock that operates buses and a three-mile streetcar, the University of Arkansas in Fayetteville maintains a local system, and the Jonesboro Economical Transportation (JET) allows my constituents to utilize bus service to get to and from work, school, healthcare appointments, and all sorts of other activities.

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half—53.6 percent—of all urban area FTA-apportioned funding from the COVID relief packages. These cities also happen to be where reports of crime, assaults, and attacks on transit riders and workers have grown at an alarming rate.

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I hope that our witnesses will address these various strategies, including the financial math behind them, and provide us with facts on the ground about how those adaptations that have proven successful can be replicated.

Mr. CRAWFORD. Again, I want to thank all our witnesses for being here, and I look forward to your testimony.

I now recognize Ranking Member Norton for an opening statement for 5 minutes.

**OPENING STATEMENT OF HON. ELEANOR HOLMES NORTON  
OF THE DISTRICT OF COLUMBIA, RANKING MEMBER, SUB-  
COMMITTEE ON HIGHWAYS AND TRANSIT**

Ms. NORTON. Thank you very much, Mr. Chairman. And I would like to thank subcommittee Chair Rick Crawford for holding this hearing on public transportation.

During COVID-19, that pandemic, Americans were reminded about how important public transit is.

Millions of essential workers rely on public transit to get to their jobs. During the worst days of the pandemic, busdrivers, train operators, station managers, and maintenance personnel risked their safety to make sure that other essential workers could get to their jobs. In doing so, hundreds of public transit workers lost their lives to COVID-19. We owe them a debt of gratitude, along with our continued commitment to give public transit employees safe workplaces and fair compensation.

I would like to thank Greg Regan, the president of the Transportation Trades Department, for being here today on behalf of those workers.

The COVID relief funds, including the more than \$30 billion provided by this subcommittee as part of the American Rescue Plan, were part of our commitment to public transit workers and riders alike. Congress built on that commitment with the passage of the Infrastructure Investment and Jobs Act, which provided a record \$108 billion in funding for public transportation.

Together, these investments, along with support from State and local governments, have created a foundation from which transit agencies can rebuild and recover.

Changes in ridership, travel patterns, and commuting mean that transit agencies must rethink their service to ensure that they can meet the needs of their communities.

Here in the Nation's Capital that I represent, the Washington Metropolitan Area Transit Authority has made several recent changes that have supported its recovery. Last year, it launched Metro Lift, a program to provide reduced transit fares to low-income residents. It also increased service, including on nights and weekends, making public transit a more reliable and efficient option for travelers.

And Metro is also working on redesigning its bus network. The changes will be based on extensive public comments, with the goal of improving connectivity, equity, and access.

Metro's efforts are already paying off. Earlier this month, Metro bus ridership surpassed pre-pandemic levels, and Metrorail continues to show strong ridership recovery.

Metro's success is critical to our region's public transit riders. But it is critical to our economy—without public transit, our region would lose more than 9 billion—that is billion with a B—dollars' worth of economic activity to traffic gridlock, delays in freight shipments, and lack of access to jobs—and to the environment.

And as we heard in recent testimony in this subcommittee, public transit is also critically important to riders in suburban and rural areas who depend on bus and paratransit service for access to jobs and medical appointments.

Public transit is among the safest transportation modes and is 10 times safer than driving.

The benefits of public transit are clear. It is equally clear that if we want the benefits that public transit brings, all levels of Government must be willing to invest in it, all levels.

Like many other modes of transportation, including most highways, public transit systems are not intended to turn a profit.

The benefits from public transit investment include more successful businesses and stronger local economies. They include good jobs for public transit workers and connections to jobs for other workers. They include avoiding traffic fatalities and fewer commutes down gridlocked highways. They include cleaner air and better health outcomes.

If those are the benefits we seek in our communities, we must be willing to invest in them.

I look forward to working with colleagues to continue this committee's long history of supporting public transit.

Thank you, Mr. Chairman. I yield back.

[Ms. Norton's prepared statement follows:]

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**Prepared Statement of Hon. Eleanor Holmes Norton, a Delegate in Congress from the District of Columbia, and Ranking Member, Subcommittee on Highways and Transit**

I would like to thank Subcommittee Chair Rick Crawford for holding this hearing on public transportation.

During the COVID-19 pandemic, Americans were reminded just how important public transit is.

Millions of essential workers rely on public transit to get to their jobs. During the worst days of the pandemic, bus drivers, train operators, station managers and maintenance personnel risked their safety to make sure that other essential workers could get to their jobs.

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The COVID relief funds, including the more than \$30 billion provided by this Subcommittee as part of the American Rescue Plan, were part of our commitment to public transit workers and riders alike.

Congress built on that commitment with the passage of the Infrastructure Investment and Jobs Act, which provided a record \$108 billion in funding for public transportation.

Together, these investments—along with support from state and local governments—have created a foundation from which transit agencies can rebuild and recover.

Changes in ridership, travel patterns and commuting mean that transit agencies must rethink their service to ensure they can meet the needs of their communities.

Here in the nation's capital, the Washington Metropolitan Area Transit Authority has made several recent changes that have supported its recovery. Last year, it launched "Metro Lift," a program to provide reduced transit fares to low-income residents.

It also increased service, including on nights and weekends, making public transit a more reliable and efficient option for travelers.

And Metro is also working on redesigning its bus network. The changes will be based on extensive public comments, with the goal of improving connectivity, equity and access.

Metro's efforts are already paying off. Earlier this month, Metrobus ridership surpassed pre-pandemic levels, and Metrorail continues to show strong ridership recovery.

Metro's success is critical to our region's public transit riders. But it is critical to our economy—without public transit, our region would lose more than \$9 billion worth of economic activity due to traffic gridlock, delays in freight shipments and lack of access to jobs—and to the environment.

And as we heard in recent testimony to this Subcommittee, public transit is also critically important to riders in suburban and rural areas, who depend on bus and paratransit service for access to jobs and medical appointments.

Public transit is also among the safest transportation modes and is ten times safer than driving.

The benefits of public transit are clear. It is equally clear that if we want the benefits that public transit brings, all levels of government must be willing to invest in it.

Like many other modes of transportation—including most highways—public transit systems are not intended to turn a profit.

The benefits from public transit investment include more successful businesses and stronger local economies. They include good jobs for public transit workers and connections to jobs for other workers. They include avoided traffic fatalities and fewer commutes down gridlocked highways. They include cleaner air and better health outcomes.

If those are the benefits we seek for our communities, we must be willing to invest in them. I look forward to working with colleagues to continue this Committee's long history of supporting public transit.

Mr. CRAWFORD. Thank you.

I now recognize full committee Ranking Member Larsen for up to 60 seconds.

Mr. LARSEN OF WASHINGTON. Thank you very much, Mr. Chair.

Mr. CRAWFORD. You are recognized for 5 minutes.

**OPENING STATEMENT OF HON. RICK LARSEN OF WASHINGTON, RANKING MEMBER, COMMITTEE ON TRANSPORTATION AND INFRASTRUCTURE**

Mr. LARSEN OF WASHINGTON. You might be surprised, I might finish much sooner than that. But thank you, Chair Crawford and Ranking Member Norton, for holding this hearing.

Today's hearing allows the committee to examine public transit operations and the unique challenges that transit agencies face emerging from the COVID-19 pandemic.

Now, during the pandemic, we saw how communities across the country depend on their transit systems and how essential these services are. Transit agencies and their workers played an important role. The dedicated public service of transit workers ensured that doctors, nurses, and other essential workers were able to get to their work.

That is why Congress delivered for transit agencies and their workers with nearly \$70 billion in emergency funding. These dollars ensured that these essential mobility services kept operating. And today, transit agencies are rising to the challenge as they explore new ways to provide efficient, safe, and quality service while navigating the changing needs of riders and communities post-pandemic.

During the pandemic, some businesses shifted to remote work, people moved to new communities or States, and many invested in buying a car or a bike as a mode of transportation.

Riders continue to return to transit, but current ridership volume nationwide is about 80 percent of what it was in 2019.

This drop in ridership has had lingering impacts on transit agency operations and budgets, which rely on fare revenue. In 2020, transit agency fare revenue nationwide dropped by nearly half, and roughly 50 percent of transit agencies reported having to make service modifications in response to the loss of riders and revenue.

As ridership has returned, fare revenue is also rebounding, but transit agencies continue to need to cover the gap in their operational costs.

Like so many parts of the transportation industry, many transit agencies have also had workforce challenges, which directly impacts service levels. While there is competition with the private sector for qualified commercial drivers, agencies have had some success with enhanced recruiting and retention programs and incentives.

Now, in order to address these current challenges, agencies must start by reviewing the needs of their communities, how their legacy routes and operations can improve, and what new service will grow ridership.

Public opinion surveys show that people want frequent service, more accurate trip information, routes that are more convenient for riders' travel needs, cleaner vehicles and stations, and improved safety on board vehicles. Transit agencies are acting on this. Dozens of agencies across the U.S. are seeking public input as they redesign their bus networks, build new transit projects, and adapt service levels for post-pandemic demands.

In my district, Community Transit has been leading several efforts to modernize and adapt service, including developing a new

plan for a bus network redesign to prepare for light rail that is coming to Snohomish County this summer. This plan enhances bus connections with the new light rail station, expands access to routes with more frequent service, and adjusts service levels based on post-pandemic rider trends.

This is a critical effort that ensures the agency is operating efficiently and responding to the changing needs of northwest Washington travelers while improving the overall rider experience.

Additionally, this particular agency is working on more flexible service options to address transportation gaps in the community and better connect riders to hospitals, grocery stores, job centers, and eventually the new Lynnwood Transit Center.

So, while transit systems were hard hit by the pandemic, we have seen positives in the response and recovery. Transit remains an efficient, safe, and affordable mode of transportation, and I know, as a former board member of Community Transit in my district and a rider on Metro, even as recently as this morning when I am here in DC working.

So, thank you to each of the witnesses for being here today, and I look forward to the discussion.

I yield back.

[Mr. Larsen of Washington's prepared statement follows:]

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**Prepared Statement of Hon. Rick Larsen, a Representative in Congress from the State of Washington, and Ranking Member, Committee on Transportation and Infrastructure**

Thank you, Chairman Crawford and Ranking Member Norton, for holding this hearing.

Today's hearing allows the Committee to examine public transit operations and the unique challenges transit agencies face emerging from the COVID-19 pandemic.

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Transit agencies and their workers played an important role. The dedicated public service of transit workers ensured doctors, nurses and other essential workers were able to get to their jobs.

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Transit remains an efficient, safe and affordable mode of transportation, and I know, as a former board member of Community Transit in my district and a rider of the metro—as recently as this morning—when I am in D.C.

Thank you to each of the witnesses for being here today, and I look forward to the discussion.

Mr. CRAWFORD. I thank the gentleman.

I now want to welcome our witnesses once again for being here today.

I want to explain the lighting system. It should be pretty self-explanatory. Green means go. Yellow means step on the gas because it is fixing to turn red. And when it turns red, you might hear a little of this [tapping gavel] just as a reminder that that means to stop. So, that having been said, I just want to make sure you are aware of that.

I ask unanimous consent that the witnesses' full statements be included in the record. Without objection, so ordered.

I also ask unanimous consent that the record of today's hearing remain open until such time as our witnesses have provided answers to any questions that may have been submitted to them in writing. Without objection, so ordered.

I also ask unanimous consent that the record remain open for 15 days for any additional comments and information submitted by Members or witnesses to be included in the record of today's hearing. Without objection, so ordered.

As your written testimony has been made part of the record, the subcommittee asks that you limit your oral remarks to 5 minutes.

Before our first witness, Ms. Maynard, gives testimony, I would like to recognize Representative Titus to give a short introduction.

Ms. TITUS. Thank you, Mr. Chairman.

Yellow means step on the gas and go but not when you are driving, only when you are sitting in this committee.

Mr. CRAWFORD. That is a little different than our traditional lighting system.

Ms. TITUS. I just want to clarify that.

So, thank you, Mr. Chairman. It is a pleasure for me to get to introduce M.J. Maynard, who is here representing the American Public Transportation Association. When you hear her qualifications, I am sure you will agree with me that she is the exact kind of person we need to listen to and learn from as we approach tran-

sit and how it affects our constituents, our businesses, and our communities.

Ms. Maynard is a whip-smart leader of a large and vital government agency. She is a recognized expert on all things transportation around the country, and she is my good friend. So, I am glad she is here.

M.J. is the chief executive officer of the Regional Transportation Commission of Southern Nevada, which is the only agency nationwide that operates a one-stop shop for public transportation, traffic management, roadway and construction funding, and regional and transportation planning. This allows more efficient operations, as the statistics under M.J.'s leadership show.

The RTC serves an average of 153,000 riders every weekday, while maintaining the third lowest operating cost in the country. Over 1.8 million residents in southern Nevada, including my district, which is the heart of the valley, live near an RTC bus stop, which provides access to almost every hospital, college, and over 90 percent of the grocery stores in the region.

M.J. understands the importance of improving connectivity and accessibility so that we can continue to move southern Nevada forward.

Under her leadership, the RTC has also made sure advances in infrastructure serve our tourist economy and benefit every subcommunity within the valley. That is why M.J. has been recognized with numerous awards, including Nevada Business' Most Respected Leaders in 2023, Las Vegas Inc.'s Women Inspiring Nevada award in 2022, Nevada Business Magazine's Women to Watch in 2021, and the National Association of Women Business Owners 2021 Women of Distinction award in the Glass Ceiling category.

It is an honor to have you here, and we look forward to your testimony and continuing to work together. Thank you.

Thank you, Mr. Chairman. I yield back.

Mr. CRAWFORD. And with that, Ms. Maynard, you are recognized for 5 minutes.

**TESTIMONY OF M.J. MAYNARD, CHIEF EXECUTIVE OFFICER, REGIONAL TRANSPORTATION COMMISSION OF SOUTHERN NEVADA, ON BEHALF OF THE AMERICAN PUBLIC TRANSPORTATION ASSOCIATION; LAURA HENDRICKS, CHIEF EXECUTIVE OFFICER, TRANSDEV U.S., ON BEHALF OF THE NORTH AMERICAN TRANSIT ALLIANCE; MARC SCRIBNER, SENIOR TRANSPORTATION POLICY ANALYST, REASON FOUNDATION; AND GREG REGAN, PRESIDENT, TRANSPORTATION TRADES DEPARTMENT, AFL-CIO**

**TESTIMONY OF M.J. MAYNARD, CHIEF EXECUTIVE OFFICER, REGIONAL TRANSPORTATION COMMISSION OF SOUTHERN NEVADA, ON BEHALF OF THE AMERICAN PUBLIC TRANSPORTATION ASSOCIATION**

Ms. MAYNARD. Thank you.

And thank you, Congresswoman Titus, for that kind introduction. We are extremely grateful for your efforts to help us deliver essential public transit services to the people of southern Nevada, including the Maryland Parkway Bus Rapid Transit project.



Chairman Crawford, Ranking Member Norton, and members of the subcommittee, thank you for the opportunity to testify on behalf of the American Public Transportation Association, or APTA.

Again, my name is M.J. Maynard. I am the CEO for the Regional Transportation Commission of Southern Nevada.

RTC is the 14th busiest bus system in the United States. We provide over 150,000 daily trips, with 80 percent of our transit riders going to work or looking for work. Our system is a model of transit efficiency. We have the highest fare box recovery ratio, the lowest public subsidy, and the third lowest operating costs in the Nation.

I serve as vice chair of APTA whose broad membership represents a \$79 billion industry that directly employs more than 430,000 people and supports millions of private-sector jobs across America. For every \$1 invested in public transportation, it generates \$5 in long-term economic returns.

And the impacts are felt across the Nation. More than 2,000 suppliers in 48 States and Washington, DC, including smaller urban and rural areas, where buses, railcars, and their parts are often manufactured. Public transportation does far more than carry people from their destination to another. Our industry helps carry the economy.

This morning, I want to share with the subcommittee why public transit is critical in America's future. We know that investment in public transportation helps communities of all sizes flourish, connecting workers to jobs, students to school, and people to healthcare.

During the pandemic, we continued to serve our communities despite significant operating challenges. We thank Congress for passing COVID-19 emergency relief. With this critical funding, transit agencies were able to keep riders and employees safe and get people to essential jobs at hospitals, pharmacies, and community centers.

Today, 99.8 percent of the COVID-19 transit funding has been obligated. The pandemic and resulting remote work trend took a toll on transit ridership fare revenue and State and local funding. But transit ridership continues to grow and we have achieved, as you heard, 80 percent of pre-pandemic levels.

In 2023, transit riders took 7.1 billion trips, and that is an average of 24 million trips each day. That represents a 16-percent increase even though office occupancy remains stagnant at 50 percent.

Public transit agencies have redesigned services and routes to meet changing travel preferences. In addition, transit agencies are harnessing new smart technologies to help better serve our customers, reduce operating costs, and enhance safety.

For example, RTC has invested more than \$33 million in additional safety and security measures, including installing GPS-based security response devices on our 450 fixed-route buses. We are using community project funding to implement a pedestrian detection and collision avoidance system that uses artificial intelligence.

Today, traveling by public transit, as you heard, is 10 times safer for passengers than traveling by car, and we are working to make it even safer.

The future of America's mobility depends on Federal, State, and local partnerships. Given the enormous impact of our industry on our Nation's economy, if you have a transit problem, you have an economic problem.

The historic Bipartisan Infrastructure Law clearly recognized that while transit services are delivered locally or regionally, our industry contributes nationally to jobs, economic growth, and productivity. Therefore, we urge Congress to honor the promise of the Bipartisan Infrastructure Law and fully fund public transit and passenger rail in the fiscal year 2025 THUD Appropriations Act.

These funds will provide the resources necessary to invest in our Nation's economic future, bringing systems to a state of good repair, providing rural access, and driving innovation and clean technologies.

Capital investment grants will help us address mobility demands of growing communities like the Las Vegas BRT project, which will transform a 13-mile corridor by connecting the Harry Reid International Airport, UNLV, Sunrise Hospital, an area that is home to 90,000 residents, 85,000 jobs, and 9,000 daily transit riders.

Again, thank you, Congresswoman Titus, for ensuring these Federal funds are made available.

This is just 1 of the 9,000 transit projects made possible by the Bipartisan Infrastructure Law.

In closing, I believe America's strength and progress has always been built on mobility and the opportunity it provides. In each of your districts, public transportation is changing lives. It provides real economic, social, and environmental benefits to your constituents and communities.

Mr. Chairman, on behalf of APTA, thank you for including us in this important hearing.

[Ms. Maynard's prepared statement follows:]

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**Prepared Statement of M.J. Maynard, Chief Executive Officer, Regional Transportation Commission of Southern Nevada, on behalf of the American Public Transportation Association**

INTRODUCTION

Chairman Crawford, Ranking Member Norton, Representative Titus, and Members of the Subcommittee on Highways and Transit of the Committee on Transportation and Infrastructure, on behalf of the American Public Transportation Association (APTA) and its more than 1,600 public- and private-sector member organizations, thank you for the opportunity to testify on *Revenue, Ridership, and Post-Pandemic Lessons in Public Transit*.

My name is M.J. Maynard and I am Vice Chair of APTA, an international association representing the *\$79 billion public transportation industry* that directly employs more than *430,000* people and supports millions of private-sector jobs.<sup>1</sup>

I also serve as CEO of the Regional Transportation Commission of Southern Nevada (RTC). RTC is the public transit provider, traffic management agency, and Metropolitan Planning Organization (MPO) for Southern Nevada. As the MPO, RTC works with local jurisdictions to plan, program, and fund roadway and other surface transportation projects in the Las Vegas region. RTC's public transit service is a core component of our mission—it connects our region's underserved communities,

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<sup>1</sup>APTA represents all modes of public transportation and all elements of the industry from public agencies to manufacturers. APTA members include public transportation systems; planning, design, construction, and finance firms; product and service providers; academic institutions; state transit associations; and state departments of transportation.

provides access and opportunities for 2.3 million residents to get to work, school, home, healthcare services, and social activities. It is the 14th busiest bus system in the United States, serving an average of 153,000 boardings every weekday. In 2023, RTC provided more than 50 million passenger trips, and 80 percent of our transit riders use the service to get to and from work. RTC operates the most efficient bus-only transit system in the country, with the highest farebox recovery ratio, lowest public subsidy, and third lowest operating costs.

On behalf of APTA, I would like to share with the Subcommittee issues that are critical to our industry, including ridership, revenue, and the need for sustained investment. Investment in public transportation helps communities of all sizes flourish—connecting workers to jobs, students to school, and people to healthcare. Accessible, affordable public transportation helps families, students, and workers save money and grow the economy.

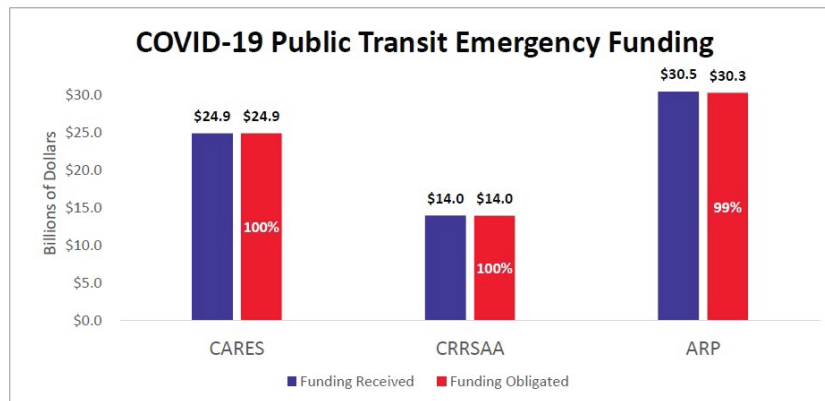
#### PUBLIC TRANSIT IS ESSENTIAL

Public transit is an essential service—providing mobility options for Americans, supporting economic growth, improving the environment, making our roads safer for drivers and pedestrians, and serving critical roles during natural disasters and other emergencies. When the COVID-19 pandemic disrupted the lives of every American, public transit served as an essential lifeline. Public transportation systems brought healthcare professionals to the frontlines, delivered groceries and medicine to at-risk populations, and connected essential workers to their places of work.

Given official declarations to close businesses and impose stay-at-home orders, as well as other measures such as a dramatic increase in remote work, public transit agencies across the nation faced severe ridership declines and state and local revenue losses. Yet, we continued to serve our communities despite significantly increased operating costs and dramatically reduced sources of funding, including fares and other revenues. In most places, fare collection was suspended for safety reasons.

We thank Congress for recognizing public transit's essential role and passing COVID-19 emergency relief legislation to provide significant support for transit operating costs that was essential to the very survival of public transit agencies. Transit agencies invested these emergency funds in services that are vital to their communities. These funds also allowed agencies to continue investing in their capital programs, such as funding state-of-good-repair projects. Together, these efforts enabled agencies to maintain good-paying jobs and help the U.S. economy recover in the wake of the pandemic.

Today, *99.8 percent* of the COVID-19 public transit emergency funds are obligated to specific projects and more than 90 percent of these funds are fully expended.



#### RIDERSHIP RECOVERY

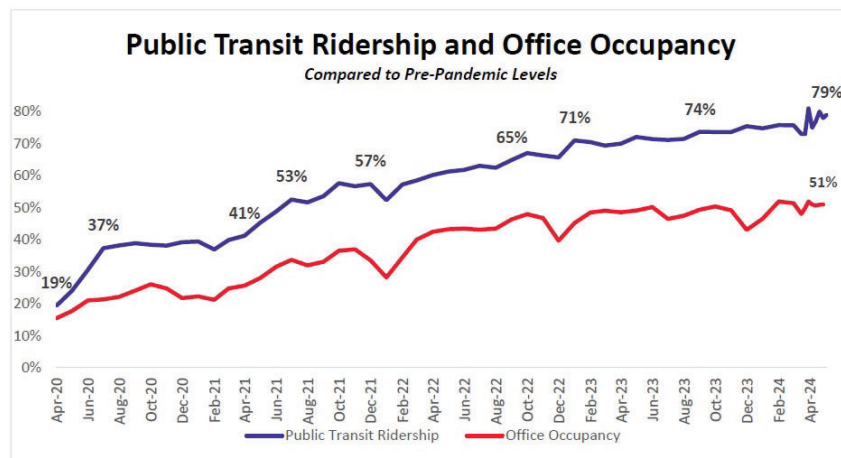
Public transit is a key driver in building a 21st-century transportation system that will support economic recovery, provide opportunities, address climate resilience, and increase our global competitiveness. After falling to 20 percent of pre-pandemic levels in April 2020, public transit ridership has reached 80 percent of pre-pandemic levels. For instance, in 2023, ridership increased by 16 percent, and

a growing number of systems have surpassed their pre-pandemic ridership. These facts demonstrate the tremendous resiliency of this industry.

It is important to recognize the enormous scale of our nation's public transit ridership. Transit riders took 7.1 billion trips in 2023—an average of 24 million trips each day. Success in ridership recovery has been dependent on transit service delivery and reliability and external factors, such as the makeup of local economies.

In Southern Nevada, transit ridership has recovered to the national average of nearly 80 percent of pre-pandemic levels. At RTC, transit riders took more than 50 million trips in 2023. To date, RTC ridership recovery has been driven by its daily riders, rather than tourists on the Las Vegas Strip.<sup>2</sup> Thus, we have more room to grow in the coming year.

In 2023, public transit increased 16 percent nationwide,<sup>3</sup> even though office occupancy remained stagnant. According to Kastle Systems, throughout all of 2023, office occupancy remained flat at approximately 50 percent.



#### Developing Solution-Oriented Service Models

Public transit agencies have outpaced the return to office by developing new solution-oriented service models to address specific community needs: people living in areas currently underserved by transit, individuals who require wheelchair access, and riders who commute during off-peak, late-night hours. On-demand ride-sharing services, vans and shuttle buses, and other micro-mobility options (e.g., bikes, scooters) provide customers the access and flexibility they need to connect to transit or their final destinations, reduce commute times, and decrease reliance on personal cars.<sup>4</sup>

In addition, public transit agencies are harnessing new smart technologies to better serve customers and enhance safety. As traffic manager for the Las Vegas region, RTC received a \$3.5 million grant to implement a pedestrian detection/collision avoidance system that uses artificial intelligence (AI) to identify potential hazards and alert drivers in real time. The system is comprised of multiple smart cameras equipped with night-vision technology, strategically placed to maximize coverage of vulnerable road users who enter designated danger zones surrounding the bus; interior and exterior speakers that provide audible alerts to warn drivers and vulnerable road users of a potential collision; and driver alert displays within the bus that warn the operator of a potential hazard.

Beyond ridership numbers and percentages, it is critically important to recognize why people take public transit—it creates opportunities. In Southern Nevada, based on a recent survey, approximately 80 percent of customers use RTC to get to and from work or to seek employment. Particularly for lower-income workers, public tran-

<sup>2</sup> RTC's general ridership (83 percent) has recovered at a much faster pace than its Las Vegas Strip/tourist ridership (56 percent).

<sup>3</sup> See Appendix A for APTA data comparing bus and rail transit ridership.

<sup>4</sup> See generally, APTA, Mobility Innovation: The Case for Federal Investment and Support [<https://www.apta.com/wp-content/uploads/APTA-Mobility-Innovation-Case-Studies-Final-Report-07.28.21.pdf>] (July 2021).

sit is a lifeline. According to a recent APTA study, *people can save more than \$13,000 each year by using public transit instead of driving.*

#### STATE AND LOCAL FISCAL IMPACTS

Public transit agencies navigated the unprecedented decreases in ridership and fare revenue resulting from the pandemic by adapting services to different needs, including aligning service patterns, investing in innovative projects to draw ridership, and improving capital planning. While ridership levels have recovered to 80 percent of pre-pandemic levels nationwide, they vary by mode and agency. The slower recovery of rail ridership has a significant impact on multi-modal transit agency fare revenues because rail systems generally have a much higher fare box recovery ratio compared to bus systems. In addition, there is some evidence that fare evasion has increased in the last three years leading to lost revenue for public transit systems. Transit agencies are making significant efforts to reduce fare evasion.<sup>5</sup>

The loss of farebox revenue has a much more pronounced impact on public transit agency operating budgets because farebox and other agency revenues (such as advertising) provide on average 35 percent of transit agency operating budgets. Conversely, these revenues provide only 11 percent of capital budgets.<sup>6</sup>

In addition, operating costs have increased substantially since 2019. Inflation has increased the price of goods and services that transit agencies purchase. The tight labor market has led agencies to increase compensation to attract and retain workers, which has also increased costs.

As a result of these increased costs, together with the fact that fare revenues have not fully recovered, some transit agencies are facing looming operating budget shortfalls, or a “fiscal cliff”. In a 2023 APTA survey, one-half of responding agencies (51 percent) indicated that they will experience a fiscal cliff in the next five fiscal years.<sup>7</sup> Many public transit agencies have implemented efficiencies to reduce their costs and worked with their communities to identify state and local funding sources to address operating shortfalls. In 2023 and 2024, many States, including New York, California, Minnesota, New Jersey, Maryland, Virginia, and the District of Columbia, have reached State and local budget agreements that provide tens of billions of dollars of new State and local funding for public transit through a combination of revenue, funding, cost reduction measures, and fare increases. These agreements include everything from sales taxes and casino licensing fees to streamlining operations and fare increases.

#### BUILDING FOR THE FUTURE

APTA is sincerely thankful for the historic investments in public transportation in the Infrastructure Investment and Jobs Act, commonly referred to as the Bipartisan Infrastructure Law (BIL). The BIL provides *\$108.2 billion* for public transit over five years (FY 2022 through FY 2026).

Transit agencies across the country are working toward a state of good repair, providing economic opportunities to their communities, and driving innovation and clean technology. For example:

- The Northern Indiana Commuter Transportation District added 26 miles to double track its South Shore Line. It eliminates 13 grade crossings, adds 14 new weekday trains, and cuts the travel to Chicago by 30 minutes. The project, awarded a construction grant agreement in 2021, was completed on time and under budget and opened last month.

<sup>5</sup>For example, the Washington Metropolitan Area Transit Authority (WMATA) is retrofitting faregates with new barriers to prevent fare evasion, resulting in a 79 percent decrease in fare evasion at those stations. Metro Transit Police have also stepped-up fare enforcement efforts. Systemwide, fare evasion is down 69 percent compared to last year. WMATA, *With Ridership Up and Crime, Fare Evasion Down, Metro Continues to Thrive* [<https://www.wmata.com/about/news/With-Ridership-Up-and-Crime-Fare-Evasion-Down-Metro-Continues-to-Thrive.cfm>] (April 4, 2024).

<sup>6</sup>The Federal Government provides one-third of capital funding but less than 10 percent of operations funding. Under current law, public transit agencies in large, urbanized areas (i.e., areas with a population of 200,000 or more) may not use Federal transit formula funds for operating assistance. These funds are only available for capital projects. Conversely, transit agencies in smaller communities may use Federal transit formula funds for operating or capital expenses, although the Federal share is lower for operating assistance grants.

<sup>7</sup>APTA, *Public Transit Agencies Face Severe Fiscal Cliff* [<https://www.apta.com/wp-content/uploads/APTA-Survey-Brief-Fiscal-Cliff-June-2023.pdf>] (June 2023). Seven of 10 large agencies (71 percent) stated that they are likely to experience a fiscal cliff in the next five years. The operating budget shortfalls that the largest agencies expect to encounter range from 10 to 30 percent of their operating budgets. *Id.*

- Valley Metro also completed its 2021 Northwest Extension Phase II light rail project ahead of schedule and under budget. The project connects the West Valley to downtown Phoenix and neighboring communities and is already averaging 50,000 riders per month since opening in January 2024. Phoenix is now working on redeveloping its new terminus—a former mall—into multi-family housing, hotels, restaurants, and new retail space.
- Skagit Transit, in a small Washington State community, is moving its operations facility, currently located in a 100-year floodplain, to a new facility with clean energy infrastructure that will enable a transition to a zero-emission fleet. In addition, the facility will help Skagit Transit, as a partner in county emergency preparedness operations, support community resiliency during emergency events.

APTA urges Congress to honor the promise of the Bipartisan Infrastructure Law and build upon this success. Specifically, we urge Congress to fully fund public transportation as authorized by the BIL:

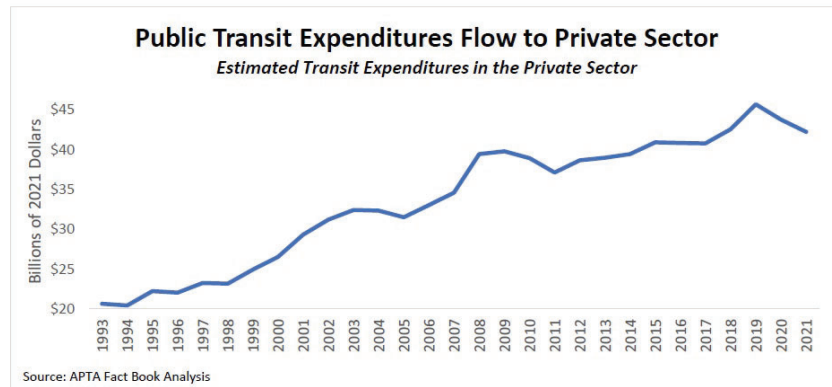
- provide at least *\$21.9 billion* for public transit and *\$20.6 billion* for passenger rail in the FY 2025 Transportation, Housing and Urban Development, and Related Agencies Appropriations Act; and
- accelerate project delivery by enacting commonsense regulatory reform, such as streamlining real property acquisition for public transit projects.

This BIL funding is an investment in our nation’s economic recovery and future.

#### *Creating Jobs, Growing the Economy, and Providing Opportunities*

*Each \$1 invested in public transportation generates \$5 in long-term economic returns.*<sup>8</sup> Every \$1 billion invested in public transportation creates or sustains nearly 50,000 jobs across the entire economy, including in non-transit industries.<sup>9</sup> Investment in public transportation creates jobs in communities of all sizes throughout the country, including in smaller urban and rural areas where buses, railcars, and their parts are often manufactured.

Moreover, more than *\$42 billion*, or almost *60 percent*, of public transit investment flows directly to the private sector—a *65 percent increase* since 2000.



In addition, the public transportation industry provides investment opportunities across the country, ranging from manufacturing to design and construction, to operations and maintenance, to data management and technological innovation. Public transportation manufacturing relies on more than 2,000 suppliers in 48 States and Washington, DC. And public transportation agencies rely on their private-sector partners to help deliver innovative transit projects efficiently.

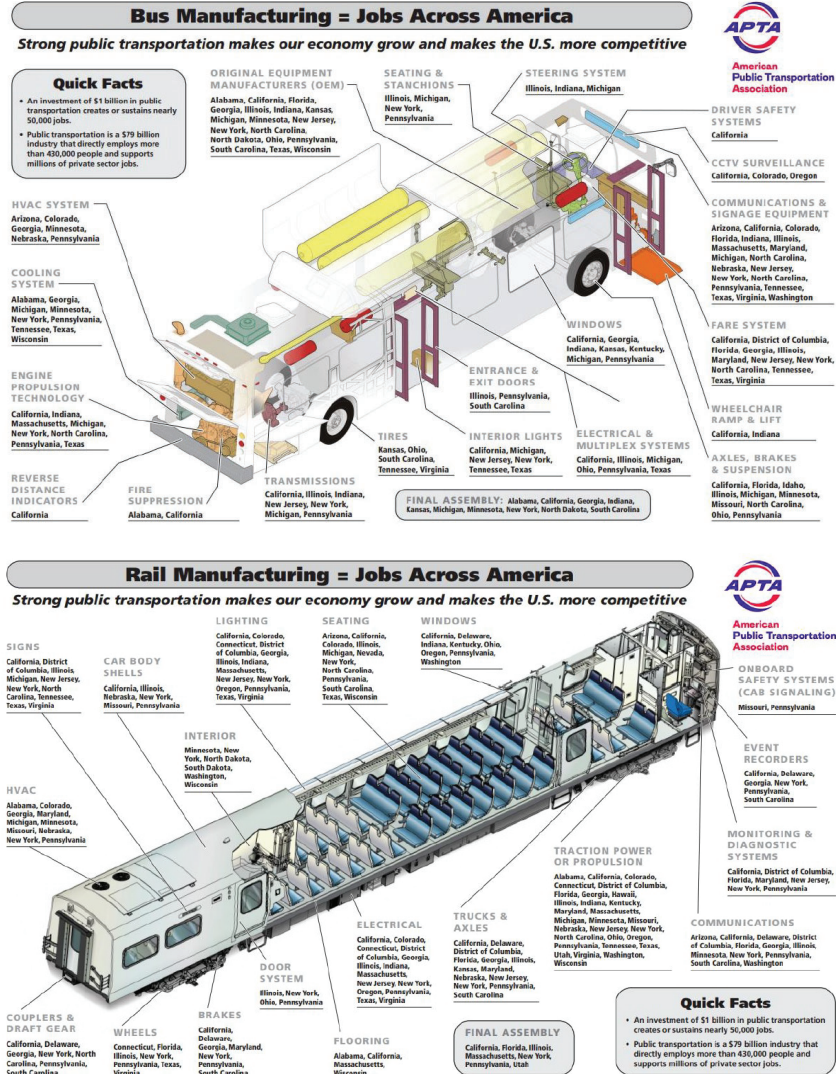
For instance, a Capital Investment Grants (CIG) project in California may include thousands of construction jobs onsite, but its rolling stock, parts, or materials may come from manufacturers and suppliers in Alabama, Georgia, Kansas, or Pennsylvania.

<sup>8</sup>APTA, Economic Impact of Public Transportation Investment—2020 Update [<https://www.apta.com/research-technical-resources/research-reports/economic-impact-of-public-transportation-investment/>] (February 2020).

<sup>9</sup>*Id.* Public transportation can also enhance the productivity of industries not directly associated with transit, such as the technology industry.



Bus Manufacturing [https://www.apta.com/wp-content/uploads/Bus-Schematic-2019-Updated-Logo-03.08.2023.pdf] and Rail Manufacturing [https://www.apta.com/wp-content/uploads/Rail-Schematic-2019-Updated-Logo-03.08.2023.pdf] Schematics:



Moreover, after a new transit line is constructed and operational, there are ongoing, permanent economic growth and development impacts enabled by the transportation improvements and associated economic productivity gains.

#### Traveling Safely to Your Destination

For the public transportation industry, safety is a core value—a non-negotiable operating principle and promise to our riders and workers. The men and women responsible for managing and operating public transportation systems are fully committed to the safety of their passengers, employees, systems, and the public. As a result, traveling by public transportation is *10 times safer* for passengers than trav-

eling by car, and modest increases in transit ridership can *cut traffic fatalities by one-half*.<sup>10</sup>

Rider-focused investments to improve service, safety, and accessibility are why ridership is increasing across the country. To address transit safety concerns, many agencies are adopting a layered approach, using “transit ambassadors”, mental health professionals, public awareness campaigns, and more law enforcement personnel.

At RTC, safety and security are of paramount importance. Over the past three years, RTC has invested more than \$33 million in additional safety and security measures to continue keeping its customers and operators safe. RTC is the first transit agency in the nation to install GPS-based security devices on its 450 fixed-route buses that operators can activate if they need to notify a security contractor and the bus operations center of a safety or security incident, even if the operator has departed from the bus.

In July, RTC will increase the number of armed security officers by nearly 12 percent (from 271 to 304 officers) and more than double the number of roving security vehicles (from six to 14 vehicles). Security officers will focus on enforcing RTC’s fare policy to reduce the number of chronic violators and friction between them and operators.

#### *Providing Rural Access*

Today, approximately 6,800 organizations provide public transportation, and the majority of agencies serve rural areas. According to Federal Transit Administration (FTA) data, 1,281 transit agencies operate in rural areas and 929 transit agencies operate in urbanized areas (i.e., areas with a population of 50,000 or more). In addition, there are approximately 4,580 nonprofit public transportation providers operating across the nation.

In rural areas, especially for seniors and people with disabilities, public transportation is a lifeline. Rural residents with disabilities rely heavily on public transit, taking approximately *50 percent* more public transit trips than those without disabilities.<sup>11</sup>

Ridership in rural areas is estimated to be *107 million* annual trips. Public transit is critical for connecting users to needed services, including access to medical care for the almost five million U.S. veterans living in rural areas and for providing Medicaid recipients with non-emergency medical transportation (NEMT) services to mental health, substance abuse, chemotherapy, dialysis, and other critical chronic and preventive care appointments.

#### *Addressing State-of-Good-Repair Needs*

With a state-of-good-repair backlog of more than *\$101 billion* and growing, support from all levels of government is sorely needed. Today, most agencies are operating buses and railcars beyond their useful lives. Of the 119,000 transit buses and vans, almost *one in six* are not in a state of good repair.<sup>12</sup> For rail transit vehicles, the average fleet age is *24 years*. Agencies are using the historic investments of the BIL to begin to bring their rolling stock, guideway elements, systems, stations, and facilities to a state of good repair.<sup>13</sup>

To help address rail rolling stock state-of-good-repair needs, the BIL specifically created the Rail Vehicle Replacement program to provide grants to public transit agencies to replace their aging fleets with new, American-made railcars. For instance, Chicago’s Metra commuter railroad received a grant to procure 50 modern, multi-level railcars to replace 50-year-old railcars built in the mid-1970s that include asbestos materials and do not meet current crashworthiness standards or comply with the Americans with Disabilities Act. The new cars will be more efficient, improve reliability, and provide a better experience for the traveling public.

<sup>10</sup> See APTA, Public Transit Is Key Strategy in Advancing Vision Zero, Eliminating Traffic Fatalities [https://www.apta.com/wp-content/uploads/Resources/resources/hottopics/Documents/APTA%20VZN%20Transit%20Safety%20Brief%208.2018.pdf] (August 2018).

<sup>11</sup> APTA, Public Transportation’s Impact on Rural and Small Towns [https://www.apta.com/wp-content/uploads/Resources/resources/reportsandpublications/Documents/APTA-Rural-Transit-2017.pdf] (2017).

<sup>12</sup> See, U.S. Department of Transportation, Federal Highway Administration and Federal Transit Administration, Status of the Nation’s Highways, Bridges, and Transit: Conditions & Performance Report to Congress, 25th Edition [https://www.fhwa.dot.gov/policy/25cpr/pdf/CP25\_Full\_Report.pdf] (2024), at page ES-13.

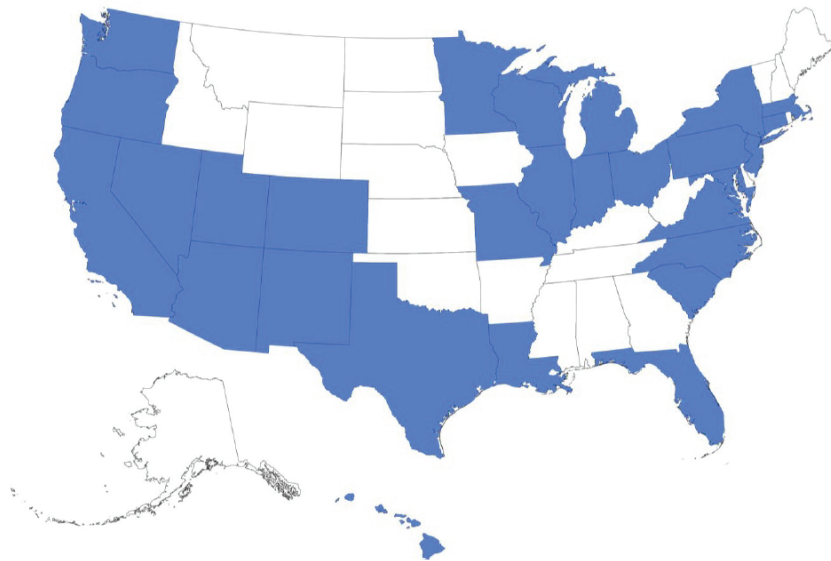
<sup>13</sup> *Id.*



### *Providing More Mobility Choices*

Public transit investment also helps communities begin to address the demand for more mobility choices. CIG funding provides critical investments for new and expanded subways, light rail, commuter rail, streetcars, and bus rapid transit (BRT), among others. Over the past 15 years, 28 States have received CIG construction grant agreements or are in the current pipeline. From BRT projects in Minnesota, Nevada, and Pennsylvania; to commuter rail projects in Texas and Indiana; and heavy and light rail projects in Arizona, California, New York, and Utah. Public transportation projects that are funded through the CIG program are an essential component of addressing the mobility demands of growing communities. Today, 65 projects across the nation are seeking almost *\$45 billion* of CIG funding in FY 2025 and subsequent years.<sup>14</sup>

### **CIG Projects from 2010-Present**



For example, RTC's Maryland Parkway BRT will transform the 13-mile corridor for the benefit of everyone in the region. Home to 90,000 residents, 85,000 jobs, and 9,000 daily transit riders, the Maryland Parkway BRT will connect residents to jobs, education, medical services, shopping, and neighborhood services. FTA's \$150 million investment will ensure Southern Nevada residents and visitors have better options while traveling to Harry Reid International Airport, the University of Nevada, Las Vegas (UNLV), Sunrise Hospital, and other important areas of the city. In addition, buses, bikes, cars, and pedestrians will all experience safer conditions thanks to wider sidewalks, enhanced transit shelters, improved lighting, and better roadways.

### *Driving Innovation in Clean Technologies*

Finally, public transit is at the forefront of innovation, particularly in clean technologies. From hybrid buses to light rail systems, public transportation agencies are leveraging new technologies to promote clean energy, electric vehicle deployment, and fuel efficiency. Currently, *49 percent of transit buses use alternative fuels*, with nearly 18 percent of all buses utilizing hybrid-electric technology, compared to only 2.2 percent of U.S. cars and Sport Utility Vehicles. Today, there are more than

<sup>14</sup> APTA's Capital Investment Grant Project Pipeline Dashboard [<https://www.apta.com/wp-content/uploads/APTA-CIG-Project-Pipeline-Dashboard-06-04-2024.pdf>] (June 4, 2024).

1,500 zero-emission buses in service with hundreds more battery electric and hydrogen buses on order.<sup>15</sup>

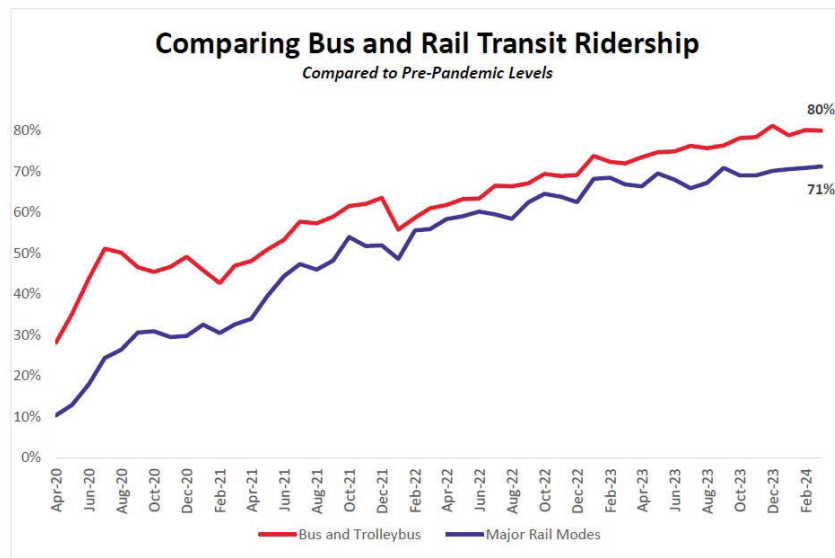
Communities that invest in public transit reduce the nation's carbon emissions by 63 million metric tons annually. Overall, public transportation saves the U.S. six billion gallons of gasoline each year. The public transit industry will continue to lead the way in adopting new technologies.

#### CONCLUSION

On behalf of APTA, thank you for including us in this important hearing. In each of your Congressional Districts, public transportation provides very real benefits to your constituents, their communities, and the national transportation network. To maintain our position as a global leader, our country needs more job creation, a stronger economy, a cleaner environment, and more opportunity—and sustained investments in public transportation will lead the way.

#### APPENDIX A

Compared to pre-pandemic ridership, bus ridership has consistently recovered faster than rail services because rail ridership has seen greater impacts from work-from-home and downtown occupancy trends. In addition, bus systems tend to serve more transit-dependent riders and non-commute trips, which have more closely returned to pre-pandemic levels.



Mr. CRAWFORD. Thank you.

Ms. Hendricks, you are recognized for 5 minutes for your testimony.

**TESTIMONY OF LAURA HENDRICKS, CHIEF EXECUTIVE OFFICER, TRANSDEV U.S., ON BEHALF OF THE NORTH AMERICAN TRANSIT ALLIANCE**

Ms. HENDRICKS. Chairman Crawford and Ranking Member Norton, on behalf of the North American Transit Alliance, or as referred to NATA, thank you for the opportunity to testify before you this morning.

<sup>15</sup> APTA, 2023 Vehicle Database [<https://www.apta.com/research-technical-resources/transit-statistics/vehicle-database/>] (September 2023).

My name is Laura Hendricks, and I am the CEO of Transdev U.S. Transdev operates multimodes of public transportation in the U.S. and around the world, including bus, paratransit, rail, non-emergency medical transportation, microtransit, shuttle, and autonomous vehicles.

I also serve as the board chair of the North American Transit Alliance. NATA is comprised of the five largest private transit contracting firms. In addition to Transdev, our members include Keolis, MV Transportation, WeDriveU, and RATPDev. Our member companies operate and maintain paratransit, fixed route, and other transportation services on behalf of public transit agencies in the U.S. and around the world.

Our member companies comprise up to 15 percent of U.S. public transportation workforce, encompassing more than 71,000 employees and delivering over 700 million passenger trips per year. Eighty-five percent of NATA companies' workforce are represented by labor unions.

The private sector has a long history of operating public transit services under contract to transit agencies. More than two-thirds of transit agencies in the U.S. contract with private sector to operate all or a portion of their transit services.

We are on the forefront of innovation and are continually training our workforce to adapt to the changes in public transit offerings, whether it be operating and maintaining electric vehicles or the new hydrogen fuel cell vehicles or using innovative technology platforms.

In the aftermath of the pandemic, we have watched the transit ridership slowly bounce back, although there have been shifts in ridership with more people working hybrid or remote schedules. We have witnessed transit agencies struggle with budget deficits and make hard decisions about how to best structure service to meet their ridership and communities. We also recognize that there is no one-size-fits-all approach. What works in a big city may not work in a small city or a rural area.

Our companies see the opportunity to partner with transit agencies to design services that best serve its riders and communities. From micromobility to greater adaptation of electric vehicles, to new and expanded rail and bus rapid transit, to changing schedules to better adapt to a workforce that no longer adheres to a traditional workday, NATA member companies are sharing our experience to enable transit agencies to deliver transit services in a way that best serve the traveling public, are cost effective, and provide good salaries, benefits, and job opportunities to our valued workforce.

One of the ways transit agencies are responding to the change in public transit demand is by offering microtransit, overcoming the first- and last-mile hurdle. As referenced in more detail in my written testimony, NATA member companies continue successful partnership with transit agencies around the U.S. and innovative microtransit options.

As the committee looks towards reauthorization, we anticipate transportation solutions like microtransit will continue to emerge to develop and address the changing landscape and meet a variety of riders' needs.

Today, I would also like to share our association's recommendations for how transit agencies could work more cooperatively with private operators of public transportation. We believe that transit agencies and communities will benefit greatly from soliciting external input, streamlining the procurement process, and rethinking and redefining the benefits of contracting.

We recommend establishing an advisory committee that would provide recommendations to the FTA on how transit agencies can adapt to changing demand and usage, explore how technology innovations can help transit agencies meet the change in demand, and suggest what workforce training needs will be needed.

FTA should summarize the findings and report recommendations to Congress. We urge FTA and transit agencies to rethink procurement strategies to improve the efficiency in the process itself, as well as designing request for proposals in such a way that improves competitiveness amongst contractors and promotes innovation.

I want to also note that NATA expresses strong support for funding of public transit levels necessary to enable transit agencies to make critical investments in infrastructure and rolling stock. We believe that robust Federal support for public transportation is a key to ensuring our citizens have mobility solutions.

In closing, NATA members are excited to continue to partner with transit agencies and organized labor to advocate for reliable funding for public transit. We look forward to continuing to work with the subcommittee as it develops reauthorization legislation.

Thank you for the opportunity to appear before you today, and I look forward to answering your questions.

[Ms. Hendricks' prepared statement follows:]

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**Prepared Statement of Laura Hendricks, Chief Executive Officer, Transdev U.S., on behalf of the North American Transit Alliance**

INTRODUCTION

Chairman Crawford, Ranking Member Norton, and Members of the Subcommittee on Highways and Transit, on behalf of the North American Transit Alliance (NATA), thank you for the opportunity to testify on "Revenue, Ridership and Post Pandemic Lessons in Public Transit".

My name is Laura Hendricks, and I am the Chief Executive Officer (CEO) of Transdev U.S. I joined Transdev in 2019 as President of our Transdev Services division and was named CEO of Transdev U.S. in 2020. Transdev operates multiple modes of public transportation in the United States and around the world, including bus, paratransit, rail, non-emergency medical transportation, microtransit, shuttle, and autonomous vehicles. I also serve as the chair of the board of NATA and my appearance before this committee is in that capacity.

NATA is comprised of the five largest private transit contracting firms. In addition to Transdev, our members include Keolis, MV Transportation, WeDriveU and RATPDev. NATA member companies operate and maintain paratransit, fixed route, and other transportation services on behalf of public transit agencies in the U.S. and Canada and several of our companies also operate public transit systems around the world. Our member companies comprise up to 15 percent of the U.S. public transportation workforce, encompassing more than 71,000 employees. NATA members collectively serve over 700 million riders per year. Eighty-five percent of the NATA companies' workforce are represented by labor unions.

NATA's mission is to advocate for the essential role private contractors play in delivering safe and reliable public transit. Every day our members transport millions of people to jobs, school, medical centers, retail stores and more. The services we provide have a major positive impact on economic development and the quality of life in the communities we serve.

The private sector has a long history of operating public transit services under contract to city and county transit agencies. More than two-thirds of transit agencies in the U.S. contract with the private sector to operate all or a portion of their transit service. Sixty-six percent of U.S. transit agencies contract with the private sector. Our members operate bus and rail service in large and small cities and rural areas throughout the country. Our companies bring our global expertise to the public transit agencies we serve, including new technologies, best practices, and the ability to see around corners and react quickly to incidents like the COVID Pandemic. We are on the forefront of innovation and are continually training our workforce to adapt to changes in public transit offerings, whether it be operating and maintaining electric and autonomous vehicles or using innovative technology platforms enabling us to better operate and maintain bus and rail transit systems. We are on the cutting edge of the energy transition actively decarbonizing transit by operating battery electric and hydrogen vehicles and deploying other clean technologies. We also are helping transit agencies attract old and new passengers with new fare products and service offerings.

NATA and our member companies are members of the American Public Transportation Association (APTA) and collaborate closely with them on advocacy efforts. We worked collaboratively with APTA and organized labor during the COVID-19 pandemic to ensure transit agencies could use relief dollars directly for frontline employees regardless of whether they worked for a contractor or were direct employees, when transit service had to be curtailed. In the aftermath of the Pandemic, we have watched transit ridership slowly bounce back, although there have been shifts in ridership with more people working hybrid or remote schedules. We have witnessed transit agencies struggle with budget deficits and make hard decisions about how to best structure service to serve their ridership. We also recognize that there is no one-size-fits-all approach and what works in a big city may not work in a small city or rural area.

Our companies see opportunities to partner with transit agencies to design service that best serves its riders. From micromobility, to autonomous shuttles, to greater adaptation of electric vehicles, to new and expanded rail and bus rapid transit, to changing schedules to better adapt to a workforce that no longer adheres to a 9 to 5 workday, NATA member companies are sharing our experiences and recommendations to enable transit agencies to deliver transit services in a way that best serves the traveling public, is cost effective and provides good salaries, benefits, and job opportunities for our valued workforce.

Today, I would like to share with the Subcommittee how NATA members are working with transit agencies to deliver service that is responsive to passenger demand.

#### DEFINING MICROTRANSIT

With fewer passengers commuting to work in downtown offices during the traditional rush hour, large buses providing fixed route service often operate with fewer passengers. Some transit agencies are responding to the change in public transit demand by offering microtransit. This on-demand service operates similar to Uber or Lyft, but it is shared ride service in a shuttle bus. In other words, the passenger may ride with other passengers and the shuttle may make multiple stops, but the passenger will receive door-to-door service.

The National Academy of Sciences also describes microtransit as “the ‘tweener’ of public transportation, being less expensive per trip than traditional paratransit services but considerably more expensive per trip than fixed route service. It is less efficient than fixed route service in dense areas but more efficient than fixed route service in areas of lower density or demand.” The Academy correctly describes microtransit as “another tool in the toolbox available to public transit agencies as they try to provide the appropriate levels of supply to match the various levels of demand in their diverse service areas.”

The business case for fixed route service is challenging in suburban areas with lower population density. Microtransit can bring riders to fixed route service, overcoming the first and last mile hurdle. These additional riders improve the cost effectiveness of fixed route service because each additional rider does not add to operating costs. As demand increases for micro transit service, NATA member companies can help agencies find the right balance of fixed route and micro transit.

An example of a successful partnership can be found in Nassau County, NY with the Nassau Inter-County Express (NICE). On behalf of Nassau County, Transdev began testing various microtransit solutions as early as 2014. Through many iterations, NICE deploys solutions specifically tailored for various communities

based upon their needs. Today, NICE operates four unique services customized for each community and performs over 500+ trips a day on its on-demand services.

Starting this fall, NICE will launch three additional on-demand services that all use state-of-the-art rider centric technology to hail and book rides. We ensure efficiency and quick adoption by creating service zones that include trip generators like libraries, schools, medical facilities. We also create easy frictionless connections to the Long Island Rail Road, and other major NICE fixed service bus routes. Trip zones use a more efficient approach by concentrating on Travel Corridors such as downtown areas, which are surrounded by medium to high density areas. We are proud of the innovation we've employed in Nassau County and the service has been well received by our customers. As the Committees in Congress begin to look toward reauthorization, we anticipate that transportation solutions like microtransit will continue to emerge and develop to address the changing landscape and meet rider's needs.

Together with Loudon County and its technology partners, Keolis increased ridership per vehicle hour by 15 percent while maintaining a high passenger satisfaction (approx. 4.4/5 stars currently) and low wait times (average < 10 minutes). These improvements followed the implementation of an automated scheduling and dispatching software as well as the implementation of an app-based subscription/booking option.

RATP Dev partnered with Citibus in Lubbock, TX to implement new on-demand microtransit services. Before partnering with Spare, Citibus operated its paratransit and non-emergency Medicaid transportation (NEMT) services through a legacy system. The agency wanted to adopt automation, on-duty optimization, and data-driven planning to improve efficiency and the passenger experience. It also had a limited, nighttime-only demand-response service called Citibus NiteRide, which ran as a stand-alone service from its paratransit. With COVID-19, Citibus had to reevaluate its operations. With Spare's technology, it upgraded its paratransit operations and introduced a microtransit service that allows passengers to book trips on-demand without increasing the fleet or operational costs. Spare's automated platform allowed the agency to commingle these two services. Now both paratransit and microtransit passengers share the same fleet. Commingling has enabled Citibus to offer paratransit riders a truly on-demand, scalable service, and microtransit passengers a real public transit alternative that encourages social mixing.

And, in 2017, MV Transportation ("MV") and the Los Angeles Department of Transportation launched a microtransit project in West Los Angeles to enhance mobility options in the area. Anchored to a MetroLink rail station, the service provided on-demand rides with a goal to create a cost-efficient, productive, and passenger-oriented service instead of adding a fixed route. MV and LADOT jointly developed the service and established 700 virtual steps steadily growing to 1,600 trips per month prior to the pandemic. Since then, LADOT, its technology partner and MV have continued to operate and grow the service with a 97% rider satisfaction rate at a cost lower than competing TNC services.

#### NATA'S REAUTHORIZATION PROPOSAL

Today, I also would like to share with the Subcommittee our Association's recommendations for how our industry could work more cooperatively with private sector providers of public transportation like our NATA member companies. We believe that transit agencies and riders both will benefit greatly from soliciting external input, streamlining the procurement process, and rethinking and redefining the benefits of contractors. NATA will happily provide a comprehensive list of our ideas, but I have highlighted a few below that could be instituted with either statutory changes or revisions to 42201.F "Best Practices Procurement and Lessons Learned Manual" that has not been updated since 2016.

Specifically, we would first recommend establishing an advisory committee to Federal Transit Administration (FTA) comprised of industry representatives. The advisory committee would be charged with providing recommendations to FTA on how transit agencies can adapt to changes in public transit demand and usage, exploring how technology innovation can help transit agencies meet this changing demand, and suggesting what workforce training needs will be needed to adapt to changes in demand. Just in the course of the past few years, there have been significant changes—from the Pandemic and changed travel patterns in its aftermath, to widespread adoption of electric vehicles, to the potential deployment of autonomous vehicles. FTA should seek input from an advisory committee, synthesize the findings, and report recommendations to Congress.

We would also urge FTA and transit agencies to rethink procurement strategies with an eye toward improving the efficiency of the process itself, as well as design-

ing the Request for Proposals (RFP) in such a way that improves competitiveness amongst contractors and promotes innovation. NATA member companies recommend that when transit agencies are planning to procure operations and maintenance contracts should clearly define the scope of work and performance metrics in the RFP, including expected costs to be borne by the contractor. For example, it would be very beneficial for bidders to know upfront the details of current Collective Bargaining Agreements (CBA), run cuts, performance history and liquidated damages history. This knowledge would allow bidders to ask questions and seek clarifications and exceptions. Transit agencies also should allow sufficient time for proposers to develop high quality responses. Compressed timelines can impact both the quality of proposals and the ultimate relationship between the agency and the contractor. As a general rule, transit agencies should allow a minimum of 2 months for an RFP response.

Further, contracts should account for the unpredictability and changing nature of public transportation by providing opportunities to negotiate changes based on unforeseen circumstances, including labor disputes, significant increases in costs and in service demand, to ensure that the recipient can attain the best value and offer public transportation to meet the needs of the community over the life of the contract.

Agencies also should include a provision in operations and maintenance contracts requiring the contractor in the event of a new procurement to provide information to the recipient regarding the number of employees who are performing services under the contract and the wage rates, benefits, and job classifications of those employees to enable the agency to share this information with other proposers. This will enable proposers to develop proposals that are appropriately priced to manage risk and provide best value to the recipient.

Similarly, it would be more effective to have flexible operations' contracts be longer in length. It typically can take somewhere between 6–10 years for a contractor to recoup their initial investment in a system with certain types of contracts, but instead most contracts are between 3 to 5 years in length. Irrespective of contract length, there should also be the opportunity to reopen a contract in light of unforeseeable circumstances. To address upfront investment risk, transit agencies may want to consider paying start-up costs during the mobilization period (amortized through annual rates), and/or paying the unamortized value of assets and other tangible property used in the contract.

Agencies should consider making the exercise of an option to extend the contract term bilateral versus unilateral. Providing greater flexibility regarding negotiating option terms should result in contractors offering the most competitive prices.

Addressing liquidated damages can also be an effective tool for ensuring service meets defined performance standards. Unfortunately, the way liquidated damages are currently employed has the perverse effect of thwarting contractors from delivering greater efficiencies and innovation and better long-term performance. As a best practice, agencies should consider capping liquidated damages to hold the private operator accountable without levying unreasonable penalties.

I also want to make note that NATA—along with our partners at APTA—express strong federal support for funding public transit at the levels necessary to enable transit agencies to make critical investments in transit infrastructure and rolling stock. We believe that robust support for public transportation at the federal level is critical toward ensuring that our citizens have mobility options that reflect their needs.

#### CONCLUSION

In closing, NATA members are excited to continue to partner with transit agencies and organized labor to advocate for reliable funding for public transit as well as to ensure a trained workforce that can deliver safe and reliable public transit services that best meet the needs of the traveling public. We look forward to continuing to work with the Subcommittee as it develops reauthorization legislation. Thank you for the opportunity to appear before the Subcommittee. Thank you for the opportunity to appear before you today. I would be pleased to respond to any questions you may have.

Mr. CRAWFORD. Thank you, Ms. Hendricks.  
Mr. Scribner, you are recognized for 5 minutes.

**TESTIMONY OF MARC SCRIBNER, SENIOR TRANSPORTATION  
POLICY ANALYST, REASON FOUNDATION**

Mr. SCRIBNER. Good morning, Chairman Crawford, Ranking Member Norton, and members of the subcommittee. Thank you for the opportunity to testify before you today.

My name is Marc Scribner. I am a senior transportation policy analyst at Reason Foundation, a national 501(c)(3) public policy research and education organization with expertise across a range of policy areas, including transportation.

My testimony surveys transit productivity trends prior to the pandemic, examines the impact of the pandemic on travel behavior and transit systems, and discusses potential strategies for increasing the efficiency of transit operations. More detailed information is contained in my written testimony, but I want to highlight a few key points.

The COVID-19 pandemic caused transit ridership to crater, and recovery has been slow. Nationwide transit ridership today stands at approximately three-quarters of 2019 levels. This has led to growing concerns about the long-term viability of transit in the United States.

However, concerns about transit productivity are not new and long predate the pandemic. Researchers have developed a variety of measurement and analysis tools to gauge transit productivity, but to highlight two striking trends, between 1960 and 2019, inflation-adjusted transit operating costs more than quintupled while ridership remained flat.

In the years preceding the pandemic, the Bureau of Labor Statistics began measuring transit labor productivity, which they calculate by dividing an index of passenger-miles traveled by an index of hours worked. Ridership between 2013 and 2019 decreased by an average rate of 1 percent per year while transit work hours increased at an average rate of 2.5 percent per year. Hours worked per employee remained relatively constant, meaning new hires were responsible for the additional work hours and, thus, most of the decline in labor productivity.

When the pandemic hit, transit was especially vulnerable to changes that followed because transit systems were largely designed to serve peak hour weekday commuting travel. Prior to the pandemic, commuting accounted for approximately one-fifth of travel by all modes of transportation, but between one-third to one-half of travel by transit.

Between 2017 and 2022, travel to and from work as a share of travel by transit declined from 41.5 percent to 28.6 percent. Much of this decline can be explained by the dramatic increase in working from home.

In the face of this large decline in transit ridership, which is largely attributable to work travel trends, U.S. transit systems received record-setting Federal subsidies. This large increase in Federal funding allowed transit agencies to continue to provide service close to pre-pandemic levels.

While transit ridership decreased by 27.8 percent between 2019 and 2023, transit service provided fell by only 9.5 percent. These dynamics had predictable effects on transit labor productivity. As I noted, the decline in transit labor productivity between 2013 and



2019 was primarily driven by increases in hours worked by new transit agency employees. Following the pandemic, the steep declines in transit labor productivity between 2019 and 2021 were almost entirely driven by decreased ridership.

Transit's narrow role in U.S. transportation was further diminished by travel behavior changes following the pandemic. Between 2017 and 2022, total U.S. person trips made by transit fell from 2.5 percent to 1.4 percent.

Further, U.S. transit ridership is highly concentrated in a small number of cities. In the first quarter of 2024, 76.4 percent of U.S. transit ridership took place in just 10 urbanized areas, with New York alone accounting for 45.7 percent of nationwide transit trips.

Despite transit's niche status, it is a vital service for those who cannot afford private vehicle transportation. Recent negative trends in transit productivity are especially troubling because of the disproportionate burden that inefficient transit service imposes on low-income Americans dependent upon transit.

In my written testimony, I suggest that transit agencies should be given increased flexibility to engage in competitive service contracting and to investigate in the long term the potential for automation in order to realize substantial operating cost savings.

Unfortunately, Federal transit labor law section 13(c) imposes a substantial barrier to realizing productivity improvements through labor-saving practices and technologies.

Given that the decline in transit productivity is driven by the divergence of labor costs and ridership, removing Federal barriers to transit agency self-help should be prioritized before additional Federal subsidies are considered.

Thank you for the opportunity to testify before the subcommittee, and I welcome your questions.

[Mr. Scribner's prepared statement follows:]

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**Prepared Statement of Marc Scribner, Senior Transportation Policy Analyst, Reason Foundation**

Chairman Crawford, Ranking Member Norton, and Members of the Subcommittee, thank you for the opportunity to testify before you today. My name is Marc Scribner. I am a senior transportation policy analyst at Reason Foundation, a national 501(c)(3) public policy research and education organization with expertise across a range of policy areas, including transportation.<sup>1</sup>

For nearly half a century, Reason Foundation has conducted research on urban transportation improvements enabled by innovative procurement methods, management practices, and technologies. My testimony surveys transit productivity trends prior to the pandemic, examines the impact of the pandemic on travel behavior and transit systems, and discusses potential strategies for increasing the efficiency of transit operations.

**I. PRE-PANDEMIC TRANSIT PRODUCTIVITY**

Public transit ridership in the United States cratered during the COVID-19 pandemic and, as of the first quarter of 2024, has only been able to recover 76.2% of its 2019 riders.<sup>2</sup> At the same time, operating expenditures have significantly increased, which has led to growing concerns about the viability of transit systems nationwide.

<sup>1</sup> My biography and writings are available at <https://reason.org/author/marc-scribner/>.

<sup>2</sup> Federal Transit Administration, "Monthly Ridership Dashboard," *National Transit Database* (May 2024), <https://www.transit.dot.gov/ntd/monthly-ridership-dashboard>.

However, declining transit productivity is not a new phenomenon. Transit productivity has been declining since the Urban Mass Transportation Act (UMTA) of 1964, when Congress first authorized federal funding for state and local governments to take over ailing private transit companies.<sup>3</sup> Initially, federal subsidies focused on capital improvements. At the time, customer fares were able to cover operating costs but not equipment and infrastructure refurbishment and replacement. As a result, transit capital stock was rapidly depreciating. One popular theory held that modernizing transit vehicles and facilities with new capital subsidies would bring customers back to transit.<sup>4</sup>

This theory misdiagnosed the principal causes of transit's structural decline: rising household incomes, increasing private automobile ownership, and the dispersal of urban households and then workplaces into the suburbs. Increasingly, metropolitan area residents were residing in the suburbs and commuting to jobs also in the suburbs, travel patterns poorly served by transit.<sup>5</sup> These changes led to a 60% decline in ridership from 1945 to 1960.<sup>6</sup> While federal capital subsidies authorized by UMTA were able to slow the ridership decline, they failed to attract customers back to transit who had already left.

These dynamics led to substantial declines in transit productivity. In the 15 years prior to UMTA, transit productivity fell an average of 1.4% per year (measured in bus hours/real dollars) across all transit systems and 1.3% for large systems.<sup>7</sup> Between 1964 and 1972, productivity declines averaged 2.1% per year for all systems and 3.1% for large systems.<sup>8</sup>

In 1975, the federal government began subsidizing transit operations as well as capital expenditures.<sup>9</sup> State and local transit subsidies were also increasing. Between 1975 and 1985, transit productivity declines averaged 3.1% per year for all systems and 3.8% for large systems.<sup>10</sup>

Transit system size was found to be correlated with the rate of productivity decline. This finding has been attributed to the fact that large systems tended to serve more transit-dependent populations, giving agency management a stronger incentive to prioritize labor peace (through more generous collective bargaining agreements) over cost containment.<sup>11</sup> As a result, the cumulative decline in transit productivity for large systems between 1964 and 1985 was twice as large as the decline experienced by small systems.<sup>12</sup>

By 1980, just five years after Congress expanded federal funding eligibility to operating expenses, operating grants accounted for 30% of total federal transit funding.<sup>13</sup> Lawmakers and transportation researchers expressed growing alarm about rising transit subsidies and their inability to stimulate ridership growth. In the 1980s, empirical research on the efficiency impacts of transit operating subsidies in the United States found:

- Federal subsidies had three times the negative effect on transit productivity as state and local subsidies.<sup>14</sup>
- Nearly all operating subsidies were absorbed by rapidly growing operating expenses rather than stimulating demand for transit service.<sup>15</sup>
- Both public ownership of transit systems and increasing subsidies to these systems encouraged wasteful expenditures.<sup>16</sup>

<sup>3</sup> Urban Mass Transportation Act of 1964, Pub. L. 88–365, 78 Stat. 302 (July 9, 1964).

<sup>4</sup> Charles Lave, "It Wasn't Supposed to Turn Out Like This: Federal Subsidies and Declining Transit Productivity," *ACCESS*, No. 5 (Fall 1994), p. 22, <https://www.accessmagazine.org/wp-content/uploads/sites/7/2016/07/access05-04-It-Wasnt-Supposed-to-Turn-Out-Like-This.pdf>.

<sup>5</sup> See, e.g., Marc Scribner, "The Problematic Equity Case for Mass Transit," Reason Foundation (May 7, 2021), <https://reason.org/commentary/the-problematic-equity-case-for-mass-transit/>.

<sup>6</sup> William J. Mallett, "Federal Support of Public Transportation Operating Expenses," Congressional Research Service (Jan. 18, 2024), p. 5, <https://crsreports.congress.gov/product/pdf/R/R47900>.

<sup>7</sup> Charles A. Lave, "Federal Subsidies and the Ruinous Decline in Transit Productivity: It Wasn't Supposed to Turn out Like This," *Institute of Transportation Studies*, University of California, Irvine (June 1991), Table 6, <https://escholarship.org/uc/item/7c83c6gc>.

<sup>8</sup> *Ibid.*

<sup>9</sup> National Mass Transportation Act of 1974, Pub. L. 93–503, 88 Stat. 1565 (Nov. 26, 1974).

<sup>10</sup> Lave, "Federal Subsidies and the Ruinous Decline in Transit Productivity," Table 6.

<sup>11</sup> *Ibid.*, pp. 11–13.

<sup>12</sup> *Ibid.*, Table 7.

<sup>13</sup> Mallett, p. 5.

<sup>14</sup> John Pucher et al., "Impacts of Subsidies on the Costs of Urban Public transport," *Journal of Transport Economics and Policy*, Vol. 17, No. 2 (May 1983), pp. 155–176.

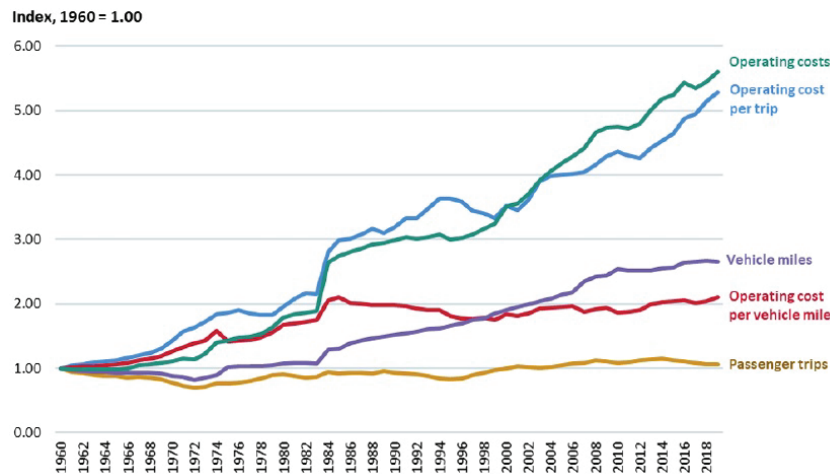
<sup>15</sup> Don H. Pickrell, "Rising Deficits and the Uses of Transit Subsidies in the United States," *Journal of Transport Economics and Policy*, Vol. 19, No. 3 (Sept. 1985), pp. 281–298.

<sup>16</sup> John Pucher and Anders Markstedt, "Consequences of public ownership and subsidies for mass transit: Evidence from case studies and regression analysis," *Transportation*, Vol. 11, No. 4 (March 1983), pp. 323–345.

While a small number of studies arrived at contrary findings, there came to be “a general consensus that subsidies have had a degrading effect on system efficiency and productivity and have increased operating costs,” although the impacts varied by subsidy source and transit system characteristics.<sup>17</sup> In 1998, Congress largely eliminated federal operating subsidies for transit agencies serving urbanized areas with populations of 200,000 residents or more (although maintenance was recategorized as a capital expense).<sup>18</sup>

Unfortunately, changes in subsidy policy did little to address the long-term decline in U.S. transit productivity. As Figure 1 from the Congressional Research Service shows, from 1960 to 2019, the inflation-adjusted operating costs more than quintupled while ridership remained constant.

Figure 1: Measures of Productivity in Public Transportation, 1960–2019



Source: William J. Mallett, “Federal Support of Public Transportation Operating Expenses,” Congressional Research Service (Jan. 2024).

Since 2018, the Bureau of Labor Statistics has published measures of urban transit labor productivity.<sup>19</sup> Labor productivity is calculated by dividing an index of output (passenger-miles traveled) by an index of hours worked.<sup>20</sup> Figure 2 displays transit productivity trends in the 13 years leading up to the COVID-19 pandemic. Labor productivity between 2007 and 2013 was slightly positive, increasing at an average rate of 1.4% per year. Output over this period increased at an average rate of 1.5% per year. However, between 2013 and 2019, labor productivity declined.

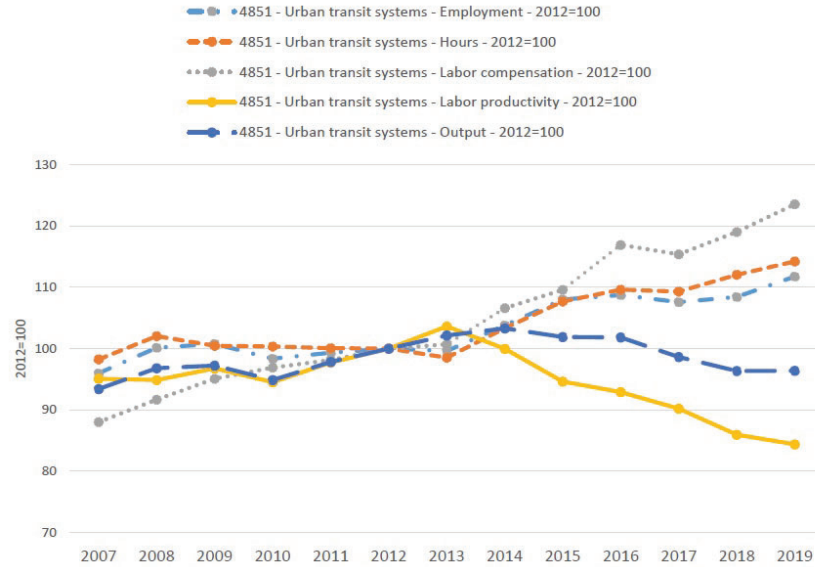
One important takeaway is that the 2013–2019 decline in transit labor productivity can mostly be explained by increases in transit agency employment. Ridership during this period decreased by an average rate of 1% per year while transit work hours increased at an average rate of 2.5% per year. Hours worked per employee remained relatively constant, meaning new hires were responsible for the additional work hours and thus most of the decline in labor productivity. And as Figure 2 shows, labor compensation increased at an even faster rate during this period.

<sup>17</sup> Matt G. Karlaftis and Patrick McCarthy, “Operating Subsidies and Performance in Public Transit: An Empirical Study,” *Transportation Research Part A: Policy and Practice*, Vol. 32, No. 5 (1998), pp. 359–375.

<sup>18</sup> Transportation Equity Act for the 21st Century, Pub. L. 105–178, 112 Stat. 107 (June 9, 1998), § 3007.

<sup>19</sup> Bureau of Labor Statistics, “Urban Transit Systems Labor Productivity,” (June 29, 2023), <https://www.bls.gov/productivity/highlights/urban-transit-systems-labor-productivity.htm>.

<sup>20</sup> Brian Chansky and Nathan F. Modica, “Productivity in transit: a new measure of labor productivity for urban transit systems,” *Monthly Labor Review*, U.S. Bureau of Labor Statistics (Aug. 2018), <https://www.bls.gov/opub/mlr/2018/article/productivity-in-transit-a-new-measure-of-labor-productivity-for-urban-transit-systems.htm>.

**Figure 2: Transit Industry Labor Productivity Trends, 2007–2019**

Source: Bureau of Labor Statistics, “Urban Transit Systems Labor Productivity: Urban Transit Dashboard” (June 29, 2023).

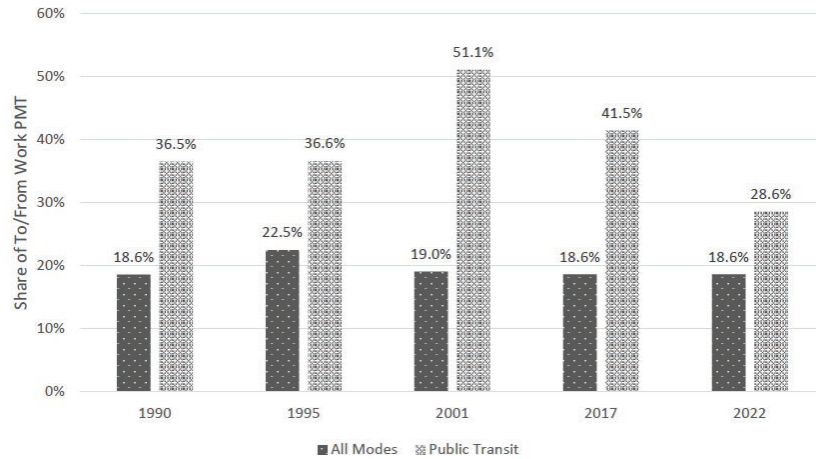
## II. PANDEMIC IMPACTS ON TRAVEL BEHAVIOR AND TRANSIT SYSTEMS

The onset of the COVID–19 pandemic led to large declines in transit ridership. While nationwide ridership has since partially recovered from its nadir, it remains significantly depressed at 76.2% of the pre-pandemic ridership level as of the first quarter of 2024.<sup>21</sup>

Transit systems were largely designed to serve peak-hour weekday commuting travel. Figure 3 displays data compiled from the Federal Highway Administration’s National Household Travel Survey on commuting travel’s share of total personal travel from 1990 to 2022. As it shows, commuting to and from work accounted for approximately one-fifth of personal travel (all modes) through that time period. Commuting accounted for one-third to one-half of travel by transit prior to the pandemic. Following the pandemic, commuting diminished significantly as a share of travel by transit.

<sup>21</sup>Federal Transit Administration, “Monthly Ridership Dashboard,” *National Transit Database* (May 2024), <https://www.transit.dot.gov/ntd/monthly-ridership-dashboard>.

Figure 3: Travel to and from Work as a Share of Personal Travel, 1990–2022



Source: Federal Highway Administration, “Table 4–7. Daily PMT per Person by Mode of Transportation and Trip Purpose,” Summary of Travel Trends: 2022 National Household Travel Survey (Jan. 2024); author’s calculations.

Much of this decline in transit commuting travel can be attributed to dramatic increases in working at home. In 2019, the Census Bureau’s American Community Survey estimated 5% of U.S. workers rode transit to and from work.<sup>22</sup> In 2022, transit’s commuting mode share had decreased to 3.1%.<sup>23</sup> In contrast, working from home increased from 5.7% in 2019 to 15.2% in 2022.<sup>24</sup>

Due to the design of the American Community Survey, this likely significantly underestimates working from home because it poorly captures hybrid work schedules where workers split their work time between their workplaces and homes. The latest results from the Survey of Working Arrangements and Attitudes estimate that 27% of paid days in the U.S. in May 2024 were work-from-home days.<sup>25</sup> The upshot is remote work remains three to five times its pre-pandemic share of “commuting”—and five to nine times the share of mass transit commuting.

In the face of this large decline in transit ridership, which is largely attributable to work travel trends, U.S. transit systems received record-setting federal subsidies. Supplemental COVID–19 appropriations during FYs 2020 and 2021 provided \$69.5 billion in emergency support for transit agencies.<sup>26</sup> The Infrastructure Investment and Jobs Act enacted in FY 2022 increased federal transit funding by 67% over the levels previously authorized by the FAST Act (in nominal dollars).<sup>27</sup>

This large increase in federal funding allowed transit agencies to continue to provide service close to pre-pandemic levels. As Figure 4 shows, while transit ridership (unlinked passenger trips) decreased by 27.8% between 2019 and 2023, transit service provided (vehicle revenue miles) fell by only 9.5%.

<sup>22</sup> Census Bureau, “Table S0801: Commuting Characteristics by Sex,” *American Community Survey 2019: 1-Year Estimates*, <https://data.census.gov/table/ACSST1Y2019.S0801>.

<sup>23</sup> Census Bureau, “Table S0801: Commuting Characteristics by Sex,” *American Community Survey 2022: 1-Year Estimates*, <https://data.census.gov/table/ACSST1Y2022.S0801>.

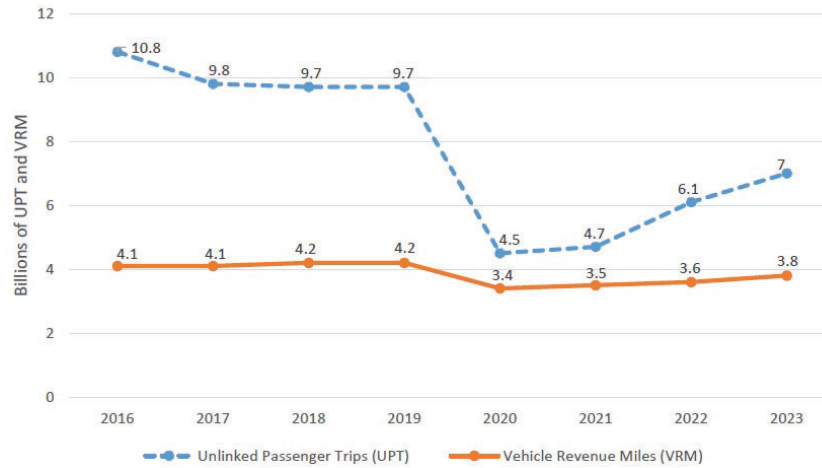
<sup>24</sup> *Ibid.*; Census Bureau, “Table S0801: Commuting Characteristics by Sex,” *American Community Survey 2019: 1-Year Estimates*.

<sup>25</sup> Jose Maria Barrero et al., “SWAA June 2024 Updates,” *Survey of Working Arrangements and Attitudes (SWAA)* (June 6, 2024), [https://wfhresearch.com/wp-content/uploads/2024/06/WFHResearch\\_updates\\_June2024.pdf](https://wfhresearch.com/wp-content/uploads/2024/06/WFHResearch_updates_June2024.pdf).

<sup>26</sup> Mallett, p. 8.

<sup>27</sup> *Ibid.*, p. 14.

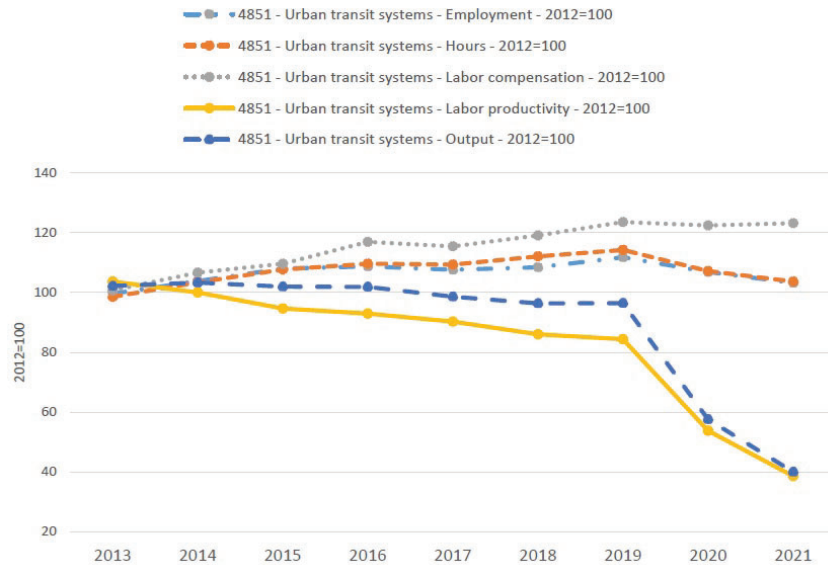
Figure 4: Trends in Transit Ridership and Service Provision, 2016–2023



Source: Federal Transit Administration, “Monthly Ridership Dashboard,” National Transit Database (May 2024).

These dynamics had predictable effects on transit labor productivity. Recall, as shown in Figure 2, that the decline in transit labor productivity from 2013 to 2019 was primarily driven by increases in hours worked by new transit agency employee hires. Following the pandemic, as shown in Figure 5, the declines in labor productivity between 2019 and 2021 were almost entirely driven by decreased ridership (output in passenger-miles traveled).

Figure 5: Transit Industry Labor Productivity Trends, 2013–2021

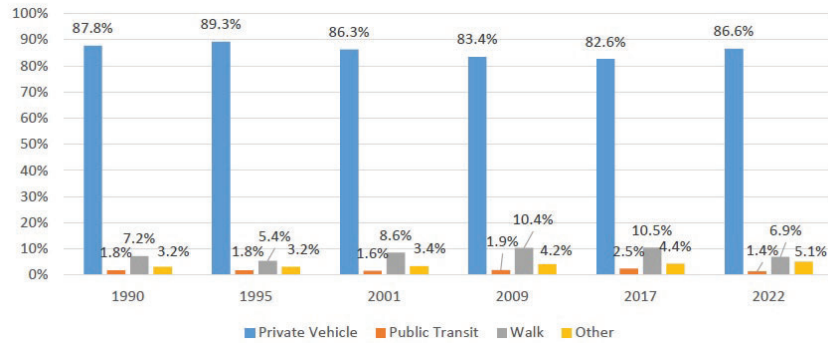


Source: Bureau of Labor Statistics, “Urban Transit Systems Labor Productivity: Urban Transit Dashboard” (June 29, 2023).

### III. STRATEGIES FOR INCREASING THE EFFICIENCY OF TRANSIT OPERATIONS

The COVID-19 pandemic amplified preexisting trends and reduced transit efficiency to the lowest levels on record. Working from home remains elevated and is likely to persist at several multiples of transit's share of commuting. While commuting accounted for between one-third and one-half of pre-pandemic transit ridership, transit accounted for a tiny share of person trips in the United States. As Figure 6 shows, just 2.5% of person trips were made by transit in 2017, compared to 82.6% made by private vehicle. In 2022, transit's share of person trips had fallen to 1.4% versus 86.6% of trips made by private vehicle.

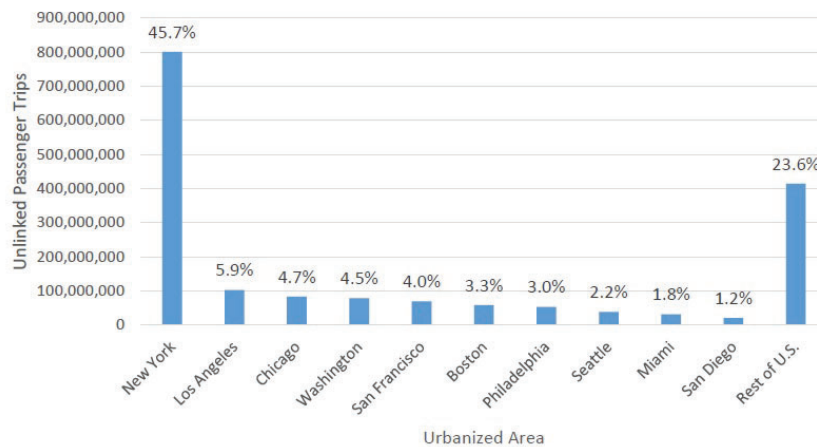
Figure 6: Share of U.S. Person Trips by Mode, 1990–2022



Source: Federal Highway Administration, "Table 4–2. Distribution of Person Trips by Trip Mode and Trip Purpose (Percent)," Summary of Travel Trends: 2022 National Household Travel Survey (Jan. 2024).

Further, U.S. transit ridership is highly concentrated in a small number of cities. As Figure 7 shows, in the first quarter of 2024, 76.4% of U.S. transit ridership took place in just 10 urbanized areas—with the New York City urbanized area alone accounting for 45.7% of nationwide transit trips.

Figure 7: Geographic Distribution of U.S. Public Transit Trips, Q1 2024



Source: Federal Transit Administration, "April 2024 Complete Monthly Ridership," National Transit Database; author's calculations.

Despite transit's status as a niche mode of passenger transportation, it is a vital service outside of New York to those who cannot afford private vehicle transportation. Recent negative trends in transit productivity are especially troubling be-

cause of the disproportionate burden that inefficient transit service imposes on low-income Americans dependent upon transit.

As historical experience with transit subsidies has shown, advancing transit efficiency is not a simple question of additional funding. Making better use of existing resources must be the priority to avoid counterproductive subsidy policies that merely deepen and prolong transit's productivity crisis.

Transit agencies should be encouraged to experiment with operating practices that could improve system efficiency. With remote work expected to remain elevated, a number of agencies have begun rebalancing their operating schedules to de-emphasize traditional peak-hour service during the workweek to better serve their core customers.

These service adjustments may produce some benefits but are unlikely to address the steep declines in labor productivity. Two other policies show more promise to deliver substantial efficiency improvements by directly addressing labor costs, which account for approximately two-thirds of transit operating expenses.<sup>28</sup>

First, competitive contracting should be encouraged. Under public-private partnerships, transit agencies can contract out transit service provision to private firms. The agency would serve as the coordinating and oversight entity, developing performance requirements and ensuring private partners adhere to those requirements embedded in their contracts. Poorly performing contractors can have their contracts terminated for cause and be replaced by a competing provider. Commuter rail and paratransit services are regularly contracted-out today.

Properly writing and enforcing service contracts could lead to substantial efficiency gains. A 2017 study published in the *Journal of Public Economics* estimated that contracting out bus service in the United States could reduce operating costs by 30%.<sup>29</sup> Importantly, these cost savings were realized through increased labor flexibility, not cuts to service.

Second, automation of operations should be examined in longer-term capital planning. Fully automated trains are increasingly used in heavy-rail transit systems around the world and are in widespread use at U.S. airports.<sup>30</sup> In addition, the Federal Transit Administration recently renewed its Strategic Transit Automation Research (STAR) Plan, which focuses on the automation of transit buses and other road vehicles.<sup>31</sup>

A September 2023 report from the C2SMART university transportation research consortium compared automated and non-automated rail transit systems, finding that automated systems had operating costs 46% below non-automated systems.<sup>32</sup> To put this in perspective, the authors suggest that "automation alone could generate an operational profit on the Boston T's Red, Blue, and Orange Line, as well as the New York Subway, Philadelphia Subway, [San Francisco's Bay Area Rapid Transit], and Caltrain," based on pre-pandemic cost and ridership trends.<sup>33</sup>

It is important to note that retrofitting existing transit rail lines for automated operations is significantly more costly than automating newly built lines from the beginning, so these estimated cost savings are too optimistic in that context.<sup>34</sup> But the savings could still be very large and worth pursuing in the long term. Honolulu's newly built Skyline elevated light-rail system is fully automated and should be closely examined in the years ahead.

While competitive contracting and automation can result in substantial savings, they will undoubtedly face opposition from labor organizations. While this opposition is understandable—if unfortunate from the taxpayer and transit-rider perspectives—it is also unjustly supported by federal law: Section 13(c).

Section 13(c) was included in the Urban Mass Transportation Act of 1964 to protect existing labor contracts as mass transit was transitioning from private to public

<sup>28</sup> Mallett, p. 3.

<sup>29</sup> Rhiannon Jerch et al., "The efficiency of local government: The role of privatization and public sector unions," *Journal of Public Economics*, Vol. 154 (Oct. 2017), pp. 95–121.

<sup>30</sup> "List of driverless train systems," Wikimedia Foundation, last modified June 3, 2024, 08:32, [https://en.wikipedia.org/wiki/List\\_of\\_driverless\\_train\\_systems](https://en.wikipedia.org/wiki/List_of_driverless_train_systems).

<sup>31</sup> Joshua Cregger et al., "Strategic Transit Automation Research Plan 2.0: 2023–2028," Federal Transit Administration (May 2024), <https://www.transit.dot.gov/sites/fta.dot.gov/files/2024-05/FTA-Report-No-0264.pdf>.

<sup>32</sup> Chetan Sharma and Joseph Y. J. Chow, "Reducing US Transit Costs: An Empirical Review and Comparative Case Study of Portland, Manchester Rail Systems," C2SMART Center (Sept. 2023), p. 76, <https://c2smarter.engineering.nyu.edu/wp-content/uploads/2024/05/2024-05-19-Sharma-Chow-C2SMART-Report-Reducing-US-Transit-Costs.pdf>.

<sup>33</sup> Ibid.

<sup>34</sup> Keith Foley, "GoA4: The Way Forward for Metro Systems Worldwide," WSP (Aug. 4, 2022), <https://www.wsp.com/en-gb/insights/goa4-the-way-forward-for-metro-systems-worldwide>.



provision.<sup>35</sup> It persists to this day. As a result, in exchange for federal funding, transit agencies are required to adopt “protective arrangements” to be certified by the Department of Labor, including:

- The preservation of rights and benefits of employees under existing collective bargaining agreements;
- The continuation of collective bargaining rights;
- The protection of individual employees against a worsening of their positions in relation to their employment;
- Assurances of employment to employees of acquired transit systems;
- Assurances of priority of reemployment of employees whose employment is ended or who are laid off; and
- Paid training or retraining programs.

As a result, the mechanisms to increase transit productivity have been frozen for 60 years. While Section 13(c) as interpreted does not forbid contracting out service, it is in practice extremely challenging for agencies to contract out existing service in a cost-effective manner, especially under the sole-provider and “carryover” rights clauses contained in Section 13(c) agreements.<sup>36</sup>

Likewise, automating existing transit service faces similar barriers under the labor-management relations environment distorted by Section 13(c). As a 1976 report to Congress from the Office of Technology Assessment concluded:

[Section 13(c)] allows the elimination of jobs, but only as workers presently holding those jobs retire or vacate the positions for other reasons. Thus, the economic benefits of workforce reduction through automation of an existing transit system may be deferred for a number of years until retraining, transfer, or attrition can account for the displaced workers. Alternatively, direct compensation can be paid to affected workers, eliminating the jobs earlier but at an earlier cost.<sup>37</sup>

Given that deploying automation requires transit agencies to either incur substantial upfront costs to pay off affected employees or delay the realization of labor-saving benefits, transit agencies largely dependent on annual government appropriations face a strong financial disincentive to investing in automation that would improve service and reduce growing operating subsidies.

#### IV. CONCLUSION

Addressing the transit productivity crisis should be a top policy priority. Section 13(c) is designed to restrict transit management negotiating tactics, so the entire collective bargaining process is distorted to advantage labor. Given that the decline in transit productivity is driven by the divergence of labor costs and transit ridership, removing federal barriers to transit agency self-help should be prioritized before additional federal subsidies are considered.

Thank you for the opportunity to testify before the Subcommittee, and I welcome your questions.

Mr. CRAWFORD. Thank you, Mr. Scribner.

Mr. Regan, you are recognized for 5 minutes.

#### TESTIMONY OF GREG REGAN, PRESIDENT, TRANSPORTATION TRADES DEPARTMENT, AFL-CIO

Mr. REGAN. Thank you, and good morning, Chairman, Ranking Member Norton, and the rest of the subcommittee. Thank you for having me here this morning.

I am Greg Regan, president of the Transportation Trades Department, AFL-CIO. We are a federation of 37 unions that together represent the majority of public transportation workers in this country.

<sup>35</sup> Presently codified at 49 U.S.C. § 5333(b).

<sup>36</sup> G. Kent Woodman et al., “Transit Labor Protection: A Guide to Section 13(c) of the Federal Transit Act,” *Legal Research Digest* No. 4, Transit Cooperative Research Program (June 1995), pp. 21–24, [https://onlinepubs.trb.org/onlinepubs/tcrp/tcrp\\_lrd\\_04.pdf](https://onlinepubs.trb.org/onlinepubs/tcrp/tcrp_lrd_04.pdf).

<sup>37</sup> Office of Technology Assessment, *Automatic Train Control in Rail Rapid Transit* (May 1976), p. 162, available at <https://ota.fas.org/reports/7614.pdf>.

Nobody knows the challenges and opportunities in this industry better than the frontline workers who keep it moving every single day, and it is a pleasure to bring their perspective to this hearing.

Often we reduce discussions over public transportation to simple calculations of costs and revenues. In doing so, we overlook the important reality that transit is a public good that not only serves our local communities but also provides benefits that advance national economic, environmental, and social objectives.

Transit riders are not merely revenue. They are people in the communities you represent traveling to and from work, the supermarket, school, or a doctor's appointment. And transit workers are not a cost. They use their skills to serve millions of commuters every single day in one of the safest, most efficient, and most affordable modes of transportation we offer.

If we want to grow this industry and the good jobs that come with it, we have to start by reversing decades of broken Federal policy that heavily prioritizes spending on capital over operating costs.

The erosion of Federal policy that ensured support for transit operating costs, which began under President Reagan and ultimately came to a head in the late nineties when it was nearly eliminated in favor of strictly funding capital projects, was premised largely on ideological arguments at the time and not ones backed by empirical evidence.

The consequence of this has been decades of flawed public policy, which encourages local governments and transit agencies to prioritize securing Federal dollars with their limited local funds for capital projects over the crucial daily operations of services.

John Samuelson, president of the Transport Workers Union, succinctly summed up this problem when he said, "So, the government will give an agency a lot of money to buy a bus but not a dime towards hiring an operator to drive it or a mechanic to maintain it."

We see the worst effects of this during periods of economic downturn. The result is a predictable cyclical pattern of decreased revenues that lead to fare increases and service cuts in order to balance budgets. Those, in turn, lead to greater declines in ridership.

During the Great Recession, billions were allocated to transit systems, but only 2 percent was allowed for operational costs. When other revenue streams that supported operations waned, like local and State taxes, 84 percent of agencies ended up reducing service and 73 percent increased fares.

This pattern is so well-known that it has been colloquially named "the transit death spiral," and it has been well documented in both media and research. Congress recognized this during the pandemic and temporarily allowed transit agencies to use Federal formula funds for operations, ensuring that essential services continued.

But while the pandemic forever changed how our communities function, policy has not changed with it, and we are, once again, working under the old funding scheme.

I thank Congressman Hank Johnson for introducing the Stronger Communities through Better Transit Act, which would address this problem by allocating Federal matching funds for operational needs.

Some transit critics have taken this opportunity to once again offer solutions that have nothing to do with improving service and everything to do with undermining labor protections that have ensured this industry is supported by a stable, highly skilled workforce for more than a half century. Attacks on these labor protections would simply ensure that Federal investments don't displace, destroy, or undermine existing jobs and disrupt local economies back home in your districts. It is an argument that has never stood up to scrutiny.

Rather than blaming workers, we should be taking lessons from transit systems that are successfully addressing operational inefficiencies that we know deter commuters across from using transit, like unreliable service, long waits, and overcrowded vehicles.

Prior to the pandemic, cities like Seattle and Houston overhauled their bus routes to provide better coverage and frequency, and they were met with significant increases in ridership as a result. A similar effort is underway here in Washington, DC, which WMATA believes will give people access to 17,000 additional jobs within 60 minutes of where they live.

For labor's part, we have been actively working to address other challenges that we know have impacts on ridership, like concerns over persistent public safety issues on buses and rail lines. The workers our unions represent, who are often victims of violent attacks while on the job, have become all too familiar with this problem.

After labor spent years advocating for long overdue worker and public safety needs that were ultimately included in the Bipartisan Infrastructure Law, I am pleased to announce that FTA recently issued a final rule implementing significant portions of those provisions.

The law requires joint labor-management safety committees to conduct data-driven safety risk assessments and devise strategies to mitigate the risks of transit worker assaults as new components of the federally mandated safety process. This is critical because by establishing partnership with frontline workers who are the eyes and ears of the system, they can help provide their insights on how to improve safety not only for themselves but for passengers as a whole.

So, in conclusion, instead of looking for solutions that would simply undermine service or workers, we need to be looking at policy changes that will enhance the growth of transit moving forward and provide greater opportunity and greater services for the communities that you are proud enough to represent.

Thank you, and I look forward to your questions.

[Mr. Regan's prepared statement follows:]

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**Prepared Statement of Greg Regan, President, Transportation Trades  
Department, AFL-CIO**

On behalf of the Transportation Trades Department, AFL-CIO (TTD), and our 37 affiliated unions, I thank Chairman Crawford and Ranking Member Norton for inviting me to testify before the Subcommittee today on the current state of our public transit systems and the lessons we can take away from the pandemic. The workers represented by TTD-affiliated unions make up the vast majority of public transportation workers across the country—whether they are bus or rail operators, mainte-

nance and safety inspection workers, dispatchers, station agents, customer service representatives, administrative and clerical staff, or fare inspectors and collectors. They are the eyes and ears of our nation's public transit systems. Nobody knows the challenges and opportunities better than these frontline workers, and it is a pleasure to bring their perspective before Congress today.

I want to start by sharing a theme that will permeate throughout my written testimony today. Too often, whether it be here in Congress, at transit agencies nationwide, or in the communities they serve, we reduce the value of transit to discussions over costs and revenues. In doing so, we often overlook the fact that transit is a public good. Transit riders are not just revenue; they are people in the communities you represent, traveling to and from work, the supermarket, school, or a doctor's appointment. And transit workers are not a cost; they bring their skills to serve millions of commuters every day in one of the safest, most efficient, affordable, and accessible modes of surface transportation.

Questions about the long-term financial health and possible efficiencies in this industry are clearly important—and I will address some of those today—but we must also recognize the value the public transit workforce and the industry jointly provide. They deliver billions of dollars in value to American businesses in both major urban areas and rural communities. They reduce congestion on our already overcrowded roads and highways, lowering maintenance costs and improving commute times for others. They protect the health and well-being of our families by reducing dangerous emissions in our air. They provide essential mobility for millions of people in this country who do not have access to a car and who would otherwise struggle to get to work or meet other daily needs that those with personal vehicles might take for granted.

These factors should always be front and center when we calculate the value of this public good in our communities, determine how we pay for it, operate it, and ensure its long-term success in this country.

#### CONGRESS MUST MEET THE NEEDS OF THEIR CONSTITUENTS BY PROVIDING LONG-TERM FINANCIAL STABILITY FOR PUBLIC TRANSPORTATION

The COVID-19 pandemic once again highlighted serious funding and workforce challenges in public transit—ones that transportation labor has cautioned this committee about for years—exposing flaws in federal policy that, among others discussed elsewhere in this testimony, prioritize capital investment over operating expense support. As ridership plummeted and revenues dropped, transit agencies struggled to maintain essential services, revealing the need for more flexible funding that supports daily operations. The pandemic, much like the Great Recession, underscores the urgent need to revisit federal support policies for operating expenses.

By way of background, federal support for public transit began in earnest with the Urban Mass Transportation Act of 1964, which aimed to address the growing transportation needs of urban areas. As noted in a 2023 Urban Institute report, there was a prevailing belief at the time that “private operators should cover operating costs, with the federal government stepping in to invest in improved lines, for example,” and the main thrust of the Act was focused on capital investments.<sup>1</sup> Subsequent legislation in the 1970s, particularly the National Mass Transportation Assistance Act of 1974, expanded federal support for operating expenses more explicitly. Recognizing the need for ongoing operational support to maintain and improve transit services, Congress authorized billions of dollars for transit systems, with a substantial portion allocated to operating expenses.<sup>2</sup>

The 1980s marked a significant shift in federal transit policy, driven largely by the Reagan Administration's argument that transit agencies should be more self-sufficient and rely on local and state funding for operational costs, which would result in greater efficiency and fiscal discipline. However, this argument was not supported by empirical evidence at the time, and critics pointed out that reducing federal operating support could lead to service cuts, fare increases, and a decline in transit ridership, particularly affecting low-income and minority communities who relied heavily on public transit.<sup>3</sup> This marked the beginning of a gradual decline in

<sup>1</sup> Urban Institute. (2023). *Surmounting the Fiscal Cliff: The COVID-19 Pandemic's Effect on Transit*. Retrieved from <https://www.urban.org/sites/default/files/2023-11/Surmounting%20the%20Fiscal%20Cliff.pdf>.

<sup>2</sup> Congressional Research Service. (2024). *Federal Support of Public Transportation Operating Expenses*. Congressional Research Service. Retrieved from <https://crsreports.congress.gov/product/pdf/R/R47900>.

<sup>3</sup> American Public Transportation Association. (1981). *1981 Transit Fact Book*. Retrieved from [https://www.apta.com/wp-content/uploads/Resources/resources/statistics/Documents/FactBook/APTA-1981-Transit\\_Fact\\_Book.pdf](https://www.apta.com/wp-content/uploads/Resources/resources/statistics/Documents/FactBook/APTA-1981-Transit_Fact_Book.pdf); Transportation Research Board. (1983). *Deferred Maintenance*.

federal support for transit operating expenses throughout the 1980s and 1990s, ultimately culminating in the 1998 TEA–21 transportation law forbidding the use of the vast majority of federal transit funds to support operating costs, with some limited exceptions.

The result is a federal policy that, for more than two decades, has incentivized transit agencies to allocate their limited local match funds towards capital projects to maximize federal support, as more money is available to match capital expenses, and at higher rates than operating expenses. This creates a skewed financial strategy, where agencies prioritize infrastructure investments over the essential daily operation of services. Consequently, they face operational funding shortfalls, leading to reduced service frequency, increased fares, and a diminished ability to meet the mobility needs of their communities. This misalignment ultimately compromises the effectiveness and sustainability of transit systems and leads us to many of the difficult questions, and often implausibly bad solutions we are facing today.

The federal response to the Great Recession should have awakened Congress to the shortcomings of current federal transit policy. In response to the 2008 financial crisis, the 2009 American Recovery and Reinvestment Act allocated \$8.8 billion to transit systems as part of its overall effort to stimulate job growth. However, transit agencies were significantly restricted in using these funds for operational costs, with only 2 percent of the expenditure directed toward operations. The majority of federal funding was instead invested in capital projects, such as building transit facilities and purchasing buses. This approach left transit agencies vulnerable when other revenue streams they relied on to support operating costs, like local and state taxes, diminished.

As noted in the Urban Institute report, a 2010 survey of 151 major transit agencies revealed that 90 percent experienced either stagnant or reduced local funding, and 89 percent saw similar trends in state funding during the 2009 fiscal year. As a consequence, transit agencies addressed budget deficits through other measures. Between January 2009 and March 2010, the most common strategies employed were reducing service (by 84 percent of agencies) and increasing fares (by 73 percent). This was a predictable, cyclical effect of the current federal funding structure that we have seen time and again. So much so that this pattern has a name: the transit death spiral. Local or national economic circumstances impact ridership, causing transit systems to cut service or increase fares, driving away riders, thus further reducing revenue and perpetuating the cycle.

Congress recognized the backward incentives created by this structure when they allowed transit agencies to use all federal formula funds—not just emergency funds—awarded from 2020–2022 for operations. This money ensured essential workers in public transit were able to continue doing their jobs and delivering service throughout the pandemic. Yet, while the pandemic forever changed how communities function, work, socialize, and commute, federal policy did not change with it, and we are once again operating under the old funding scheme. John Samuelson, International President of the Transport Workers Union of America (TWU), may have said it best: “So, the government will give an agency a lot of money to buy a bus—but not a dime toward hiring an operator to drive it, or a mechanic to maintain it.”

Also cyclical are the tired arguments of those who use an economic downturn to attack the value of public transportation or the use of federal dollars to support it. I want to be absolutely clear in my position: public transit systems provide widespread benefits that transcend local boundaries and fundamentally support national economic, environmental, and social goals. It would be a mistake to argue that the long-term viability of these systems is a local issue and not recognize that public transit is a critical component of our national infrastructure. Federal support is essential to maximize the potential of public transportation and ensure sustainable, inclusive growth in our communities.

That is why transportation labor has long supported a reversal of the status quo, restoring the federal government’s critical role in supporting sustainable and reliable public transportation service by providing transit agencies with new, dedicated funding and flexibility to use portions of their capital budgets for operating costs.<sup>4</sup>

Given the current challenges and historical context, I urge you to give serious consideration to correcting our broken federal transit funding programs. Taking this one step would spare much of the debate over cost cutting measures that only harm

*nance and Its Impacts on Transportation Systems*. Retrieved from <https://onlinepubs.trb.org/Onlinepubs/trr/1983/936/936-007.pdf>

<sup>4</sup>Transportation Trades Department (2011). *Mass Transit Systems Need Spending Flexibility to Avoid Damaging Service and Job Cuts*. Retrieved from <https://ttd.org/policy/policy-statements/mass-transit-systems-need-spending-flexibility-to-avoid-damaging-service-and-job-cuts/>.

commuters and workers in your communities. H.R. 7039, the Stronger Communities Through Better Transit Act, introduced by Congressman Hank Johnson (GA-04) would help federal transit policy take a serious step in the right direction. This bill would significantly enhance public transit service nationwide by providing \$20 billion per year for four years, enabling transit agencies to increase service frequency, expand service areas, and extend operating hours, thus improving accessibility and convenience for riders. This funding model directly addresses the operational shortfalls and skewed incentives created by our current funding scheme. Similar legislation, the Moving Transit Forward Act of 2024, has been introduced by Senators Chris Van Hollen (D-MD) and John Fetterman (D-PA). Moving these bills forward is the best thing Congress can do today to ensure the long-term success and sustainability of our public transit systems, aligning federal policy with the needs of our communities.

COMMUTER RAIL STILL FACES SERIOUS CHALLENGES, HIGHLIGHTING THE COMPLEXITY OF POST-PANDEMIC RECOVERY IN TRANSIT

While transit ridership has seen a post-pandemic rebound, with many modes of public transit, such as buses and light rail, recovering much of their pre-pandemic ridership, commuter rail systems are lagging behind in their recovery. Commuter rail is a crucial component of the public transportation network, offering efficient, safe, and climate-friendly transit for millions of people in major metropolitan areas. These systems not only facilitate daily commutes for workers but also create tens of thousands of well-paying jobs across the country. Their slow recovery highlights the unique challenges facing public transportation as we seek solutions to adapt to evolving travel patterns and budgetary constraints without jeopardizing jobs, the needs of commuters, and the economic wellbeing of our communities.

Commuter rail has historically served people commuting to the office five days a week around a typical 9 am to 5 pm schedule. With the rise of remote work during the pandemic, people are less likely to be in the office every day, especially on Mondays and Fridays, and working hours have generally become more flexible. This shift is likely not going away and is posing challenges to both the vitality of downtowns of major metropolitan areas and the commuter rail systems that serve those areas.

Many of these systems are facing significant budget deficits in the coming fiscal year. However, because of the differences between commuter rail and other modes of public transportation, the fiscal cliff facing commuter rail agencies is much steeper and more challenging to resolve. If left unaddressed, commuter rail systems across the country are likely to take cost cutting actions, such as implementing steep service cuts, eliminating thousands of jobs, and reducing capital investments in their systems. These cuts would devastate the future of commuter rail in this country, hurt commuters in the communities they serve, and threaten the livelihood of the workers who provide service on these systems every day.

The economic benefits of commuter rail—and public transit more broadly—aren't limited to the parts of the country these services operate in. For example, while the Maryland Area Rail Commuter (MARC) rolling stock is used to transport passengers in the Washington D.C. & Baltimore region, the rolling stock is being overhauled at the Alstom plant in Hornell, New York by proud union workers represented by the International Association of Machinists and Aerospace Workers (IAM). The Buy America Requirements that were strengthened in the historic Infrastructure Investment and Jobs Act (IIJA) and that TTD and our affiliates strongly support, have helped facilitate a public transit and commuter supply chain footprint in many states across the country that provide tens of thousands good paying jobs, many of them union.<sup>5</sup>

Transportation labor stands ready to support creative solutions that don't come at the expense of workers or commuters to address these challenges. For example, commuter rail systems are looking at new operating models, like regional rail, that emphasize frequent service since predictable and frequent service is a major driver of ridership. One successful example is Metrolink's implementation of 30-minute headways for the majority of the day on the Antelope Valley line in Los Angeles County, California. As the CEO of Metrolink testified earlier this year in the House Transportation Infrastructure Rail, Pipelines, and Hazardous Materials Sub-

<sup>5</sup> American Public Transportation Association. *APTA Industry Footprint*. Retrieved from <https://footprint.apta.com/>

committee, there was a 27 percent increase in ridership in the four months of service expansion on the Antelope Valley line.<sup>6</sup>

Commuter rail systems are also examining how to better connect commuter rail to other transportation modes. For example, the Brightline West high-speed rail service between Las Vegas and the Los Angeles area will have a direct connection with the Metrolink commuter rail station at Rancho Cucamonga to help facilitate travel via Metrolink to downtown Los Angeles and other destinations in the region. In Chicago, Metra is working with the suburban bus operator Pace to better align Pace's bus routes and service frequency with Metra stations so riders on Pace have increased access to Metra service.

States are also taking action. Pennsylvania Governor Josh Shapiro has proposed \$161 million in additional funding for SEPTA to avoid devastating service cuts and the Maryland Legislature increased transportation funding by \$250 million this year, including additional funding for public transit. Other states, like Illinois, are having discussions about what the future governance of these agencies should look like. While transportation labor may agree or disagree on the particulars of these initiatives, there is no doubt that many states are doing their part to meet the moment.

As commuter rail systems, states, and the federal government continue to examine new initiatives, policy changes, and funding opportunities, I urge you to ensure rail labor is included at every step. The livelihood of tens of thousands of workers depend on commuter rail systems successfully adapting to the changes wrought by the pandemic. Rail labor unions have historically been key partners in making our commuter rail systems successful and they stand ready to help build the foundation for future success as well.

#### TTD WELCOMES SIGNIFICANT FEDERAL PROGRESS TO PROTECT PUBLIC TRANSIT WORKERS AND THEIR PASSENGERS

After years of raising alarm over increasingly horrific assaults on public transit workers, transportation labor unions successfully fought for the inclusion of assault prevention language in the Fixing America's Surface Transportation (FAST) Act of 2015. This language required the Federal Transit Administration (FTA) to publish a Notice of Proposed Rulemaking (NPRM) that established safety standards, practices, or protocols for protecting transit operators from the risk of assault. After the Obama Administration failed to move forward with an NPRM, the Trump Administration ultimately deemed the requirement redundant, instead issuing toothless suggestions to transit agencies suggesting they give the issue a closer look. To date, this requirement has not been implemented, despite repeated calls from labor unions and Congress to do so.

In the absence of progress on the FAST Act NPRM, transportation labor once again successfully fought for a legislative remedy in the IIJA to help mitigate worker assaults. Though the action is long delayed, I am happy to share that the FTA has made significant progress in implementing the requirements of the IIJA.

Among the most significant actions is a final rule requiring transit agencies to establish joint labor-management Safety Committees as part of their Public Transportation Agency Safety Plans (PTASP). These committees are tasked with conducting safety risk assessments and developing strategies to mitigate risks associated with transit worker assaults. Of note, this collaborative structure was proposed by labor unions, who recognized the value of partnership between labor and management when considering safety planning. Other provisions in the rule include:

- **Safety Risk Assessments:** Transit agencies must conduct safety risk assessments focusing on the risk of assaults on transit workers. They need to identify and implement safety risk mitigations or strategies, and report these efforts to the FTA.
- **Safety Performance Targets:** Transit agencies must set safety performance targets as part of their safety plans. These targets are based on data and aimed at reducing assaults and other safety incidents.
- **Health Measures:** Agencies are required to incorporate measures to minimize exposure to infectious diseases, in line with guidelines from health authorities.

<sup>6</sup>Written Testimony of Darren Kettle, Chief Executive Officer of Southern California Regional Rail Authority. April 17th House Transportation and Infrastructure Subcommittee on Railroads, Pipelines, and Hazardous Materials Hearing on "Getting to Work: Examining Challenges and Solutions in the Commuter Rail Industry." Retrieved from [https://transportation.house.gov/uploadedfiles/04-17-2024\\_rph\\_hearing\\_-\\_darren\\_kettle\\_-\\_testimony.pdf](https://transportation.house.gov/uploadedfiles/04-17-2024_rph_hearing_-_darren_kettle_-_testimony.pdf)

- National Safety Plan: Alongside the PTASP updates, the FTA revised the National Public Transportation Safety Plan, providing additional tools, best practices, and resources to help transit agencies improve safety performance.

Our frontline transit workers have firsthand knowledge of the types of violent and non-violent crimes occurring on our transit systems. Their insights are invaluable in understanding and addressing these safety issues. As a downstream effect of the newly established safety committees, these workers can share their experiences and contribute to developing effective strategies to mitigate risks. This collaborative approach not only enhances the safety of transit workers but also addresses broader public concerns over safety, which can positively impact ridership by restoring public confidence in the transit system.

We thank those of you in this committee room who helped us secure these provisions into law, and the Biden Administration, including the U.S. Department of Transportation and FTA for their leadership in its implementation. These policies will help ensure that workers who are just trying to do their job, like anyone else, do not face the fear of violence on a daily basis.

#### ERODING TRANSIT LABOR PROTECTIONS IS NOT A VIABLE SOLUTION FOR IMPROVING TRANSIT AND ADDRESSING BUDGET

As we consider opportunities and challenges in public transit, it is crucial to address the importance of maintaining strong labor protections for transit workers. These protections have been in place for nearly 50 years and ensure that federal funds used in public transit projects do not undermine workers' rights and working conditions.

Critics of transit labor protections argue that they increase costs and hinder operational efficiency. However, multiple studies, including reports from the Government Accountability Office (GAO), have found that the impact of these protections on labor costs and the adoption of new technologies is minimal. The GAO's findings indicate that, on the contrary, they have enhanced labor-management stability and improved communication and working relationships between management and labor. Moreover, these protections have not significantly delayed the implementation of federal grants nor impaired the operational capabilities of transit systems.

Efforts to overturn these protections under the guise of improving service by reducing labor costs are misguided and detract from the substantive policy discussions necessary to ensure the long-term success of this industry. It is imperative that Congress rejects any attempts to erode these vital protections based on outdated arguments that are grounded in a distaste for labor unions rather than sound policy. Instead, we should uphold the principles that have long supported a fair and equitable transit workforce.

#### CONGRESS MUST VIEW SOME PROPOSALS TO SOLVE BUDGET SHORTFALLS WITH ADDITIONAL OVERSIGHT AND AN APPROPRIATE DEGREE OF SKEPTICISM

We have seen a number of solutions touted as quick fixes for the financial challenges facing transit agencies. Often, these solutions are at odds with the goals of public transit, come at the expense of improved service for commuters, and in some cases, are nothing more than the promise by a nascent tech industry that is searching for nothing more than steady contracts to suck up taxpayer money.

We have serious concerns that transit agencies have been increasingly lured by autonomous vehicle (AV) companies with promises of reduced labor costs, improved access to transit, and the often clumsy appearance of being on the cutting edge of new technology. Transit agencies have taken the bait, despite this technology being completely unproven in any context, let alone public transit.

In 2022, Carnegie Mellon University's Traffic21 transportation research institute issued a policy brief highlighting several critical findings regarding the unique challenges of operating AVs in public transit environments and emphasized the indispensable role of human operators. These challenges and the necessity for human oversight highlight significant limitations that prevent AVs from currently delivering their purported benefits effectively.

Public transit operates within highly complex and dynamic environments. These settings are often characterized by the presence of pedestrians, cyclists, and various unpredictable elements such as roadwork and traffic signals manually operated by law enforcement. Autonomous systems often struggle to interpret these varied and subtle human cues, leading to operational inefficiencies and potential safety hazards. The ability of human operators to navigate and adapt to these complex urban scenarios is indispensable, as they provide the necessary judgment and flexibility that current AV technologies lack.



Among our many articulated concerns over the safety, workforce challenges, lack of accountability and oversight of the AV industry, we are deeply concerned that this misallocation of resources will only erode public confidence in transit authorities. This is especially true if pilot programs fail to deliver on their promises of improved service and safety, or if road users or passengers, who are serving as test subjects for this nascent industry, are injured when the technology malfunctions.

We thank Congressman Chuy Garcia (IL-04), for introducing the Safe Regulation of Autonomous Bus Driving Systems Act (Safe ROADS Act). This legislation highlights serious necessary considerations for autonomous vehicles in public transit and other large vehicles. The Safe ROADS Act sets stringent guidelines that must be in place before the use of level 4 and 5 automated buses, school buses, and commercial motor vehicles, requiring rigorous minimum standards for vehicle testing, pedestrian and bicyclist detection, safe handoff protocols to drivers, malfunction detection, and minimum data collection and operator training standards. I urge all of your support for this safety-first approach to AV technology in transit.

We also urge greater Congressional oversight over transit agencies' use of demand response microtransit services. These services have proven more expensive on a per-passenger basis compared to traditional fixed-route bus services. Even the lowest-performing bus routes are more cost-effective than microtransit, which often costs local governments two to three times more per passenger. Further, we have seen microtransit systems struggle to scale efficiently to meet increased demand. This results in unreliable service, particularly for disabled and low-income passengers who rely most on affordable and dependable public transit.

Often, microtransit involves contracting out services to private companies that utilize gig workers. These workers typically receive lower wages, fewer benefits, and face worse working conditions compared to unionized public transit workers. This move towards privatization threatens the quality of transit jobs and undermines the stability of long-term careers in the transit sector. As transit systems nationwide continue to suffer from a lack of funding, many are pushed toward privatization as a proposed solution to their financial problems. Although private companies claim they can provide better service at lower costs, they often fail to deliver on these promises.

These for-profit companies lack any incentive to provide high-quality service and accountability because they were fundamentally not created to serve the public good. Their primary objective is to generate profit, which often results in deep service cuts, fewer experienced workers, and decreased levels of safety and security measures.

Congress should ensure that transit systems adhere to essential standards when considering privatization. This includes requiring public transit operators to consider all relevant factors before contracting out transit services, such as conducting a cost analysis to assess the effectiveness of using private business entities versus existing employees. Potential bidders should be required to demonstrate their ability to provide high-quality transit services that match or exceed the standards provided by public transit agencies. Additionally, public transit driver safety standards should be extended to the paratransit industry, and local government agencies should give a 25 percent preference to bidders on service contracts who agree to retain employees of the prior contractor or subcontractor for at least one year.

As we navigate the challenges highlighted by the COVID-19 pandemic, it is clear that we need a renewed commitment to providing stable, flexible, and sufficient funding for transit operations. We must prioritize the safety and reliability of these systems while ensuring that the workforce remains safe and well-supported.

Again, thank you Chairman Crawford and Ranking Member Norton, for the opportunity to testify before the subcommittee today. Your continued attention and commitment to these issues are crucial as we work together to strengthen and sustain our nation's public transit systems for the future.

Mr. CRAWFORD. Thank you.

I now turn to Member questions. I will start by recognizing myself for 5 minutes.

Mr. Scribner, the Infrastructure Investment and Jobs Act provided \$108 billion for public transportation. That is a 77-percent increase over the prior FTA authorization. This funding came not long after the collection of COVID relief bills had pumped a total of nearly \$70 billion in supplemental emergency funding to transit agencies. Even with those historic funding levels, many public

transportation agencies now report that they will face fiscal uncertainty in the next few years.

So, if a once-in-a-generation-funding increase didn't provide long-term financial stability for the Nation's transit agencies, what will?

Mr. SCRIBNER. Thank you for the question, Mr. Chairman.

As I said in my opening statement and in more detail in my written testimony, I do think some of these major operational efficiencies can only be realized by trying to reduce the excessive cost of labor. And we have seen the trend lines both before the pandemic and after continue to go down in terms of labor productivity.

And I think if you look globally at some of the solutions that peer or near-peer countries have adopted, especially in contracting and then on heavy rail systems automation, I think you can realize substantial operating cost savings there and get a lot more bang for your buck.

Mr. CRAWFORD. Thanks. Appreciate your insight.

So, Ms. Hendricks, the North American Transit Alliance is comprised of the five largest private transit contracting firms. Many transit agencies often choose to work with contractors to maximize the limited budgets to achieve a shared goal of all of us here today: improving the transit passenger experience.

And when an agency engages the services of a transit contractor, it follows guidance outlined in FTA's best practices and lessons learned manual. As I understand it, FTA has not updated this guidance document since 2016. That is 8 years ago and one pandemic ago. Clearly, the landscape in public transportation has changed in that time.

Does NATA have recommendations for how or when FTA should update this best practices manual?

Ms. HENDRICKS. Yes. The North American Transit Alliance, as referred to in my written testimony, would advise for an advisory committee, as I mentioned. We would also ask that the procurement process be streamlined with external input to ensure that the process is better detailed, including the metrics and the information that is required for a contractor to put a successful competitive bid together, meaning the details of the collective bargaining agreement, the scheduling, or as referred to as the "run cut," the liquidated damages, and, in partnership, how can we best streamline this process to open up to be more competitive and more conducive. We would also ask that the timeline to respond be conducive to all thoroughness of a competitive bid process.

So, we have suggested to the FTA the streamlining process, the length of the contract, and ways that outside input can help be more efficient and cost effective to service the communities.

Mr. CRAWFORD. Thank you.

And, Ms. Maynard, as I mentioned in my opening statement, crime on transit systems across the country is on the rise, especially in our major cities. While the vast majority of trips on transit take place without incident, the violent nature of the attacks that I mentioned continue to fuel the perception that all public transit systems are unsafe.

What policies has the Regional Transportation Commission of Southern Nevada instituted to address rider and worker safety during and since the pandemic?

Ms. MAYNARD. Chairman, thank you for that question.

Public transit as a public space is truly the rolling microcosm of what is happening in any urban city, and if crime is increasing, if the unhoused population is increasing, if drug addiction, mental addiction, if that is increasing or it is prevalent, you are going to see it on public transit.

And we understand that there is not a one-size-fits-all solution for that. Public transit agencies around the United States, including the RTC, are looking at ensuring that we are making safety a priority, whether it is for the driver or the passengers.

And we are doing things like driver enclosure enhancements. We, at the RTC, have a GPS response button that if a driver needs something, they can literally press a button. It is GPS-based. We know where they are, on the bus or off the bus, and we can immediately respond by way of our security department.

It is very important that we continue to partner with our local law enforcement, whether that is by way of an MOU or actually having them work on your system. For our customers, it is about presence. And so, we have invested, the RTC, additional security officers to ensure that they are following data. You know, where the incidents may occur, that is where they are assigned.

And then, again, because we are a reflection of what is happening in the urban city, we are now, many transit systems are working with the local jurisdictions with their social services to connect the folks on our system that may be unhoused, that may be veterans seeking medical attention, mental drug addiction. And we are finding that we have the same customer base, again, because it is part of, again, what is happening in the urban core.

Trying to solve for those social ills and how they respond to public transit is a complex problem. Definitely not a one-size-fits-all solution. So, it is going to be, again, ensuring that the operators are safe by way of enclosures and technology, ensure the passengers can see enforcement efforts by law enforcement or security officers that are employed by transit agencies, and ensuring that we are investing our time with those social services to ensure that we, again, try to help solve for a very complex problem that is not necessarily a transit problem.

Mr. CRAWFORD. Thank you.

Ms. Holmes Norton.

Ms. NORTON. Mr. Regan, your testimony notes that too often the discussion around public transit focuses exclusively on costs and revenues. This is a reductive approach that fails to recognize transit's role as a public service. These same discussions often fail to mention the far larger subsidies given to highway projects.

What is the role of transit as a public service, and why it does not make sense to evaluate transit or other forms of transportation by how much revenue they generate?

Mr. REGAN. Thank you for the question.

And when I think of public transportation, I think the word "public" is so critical there. I think about the other areas where we use that word when we describe a service, whether it be public libraries, public parks, public schools, public roads, as you noted.

All of that, when we say “public,” it means building the community. It means making sure that we are tying the community together and providing resources for the citizens of that community.

And public transit is an economic lifeblood of cities large and small all around this country, and we should not be looking at it in terms of dollars and cents. We should be looking at it as the value add it brings to communities all throughout our country.

Ms. NORTON. Ms. Maynard, your testimony highlights how safe it is to travel by public transportation. In fact, traveling by public transportation is 10 times safer than traveling by car.

Even though transit agencies are already very safe, what actions are the Regional Transportation Commission of Southern Nevada and other American Public Transportation Association members taking to further ensure a safe travel experience?

Ms. MAYNARD. Thank you for that question.

And again, as I previously mentioned, it really is a partnership. The public transit agencies need to ensure that they are working closely with the communities which they serve for those social services, that connection, law enforcement, the security and transit agencies themselves that have their own security firms.

And I think it is important too that, certainly in southern Nevada, we have one of the deadliest pedestrian-vehicle death rates in the United States. Public transit is safer, and it is ensuring that we are providing services that can help reduce some of the congestion, as an example.

Now that we are not only the entertainment capital of the world but also now the sports capital of the world, we provide something called Game Day Express, and we are allowing folks that would normally drive into the Allegiant Stadium off of Las Vegas Boulevard. By doing that, we are keeping about 2,000 cars off the strip in that area. That certainly—that less congestion improves safety.

So, it is really a multipronged approach in terms of ensuring that riders are safe by having folks travel on public transit but also looking at ways to ensure that the public and the traveling public and the operators and the employees are safe.

Ms. NORTON. Another question for you, Ms. Maynard. Your testimony also addresses ongoing efforts across the United States by public transit agencies to regain riders after the pandemic.

In the District of Columbia, which I represent, the Washington Metropolitan Area Transit Authority is undergoing a bus network redesign to update its legacy bus routes and better serve the current needs of riders.

Why is it important for transit agencies to conduct community outreach and modernize service levels and routes to attract and retain riders?

Ms. MAYNARD. We are in the people business. We are people connecting people and providing places where they need to go. It is very important that we understand those travel patterns.

I think your CEO Randy Clarke has done a tremendous job here in Washington, understanding that the commute travel patterns have changed, and it is about reallocating those resources.

And so, if you previously, pre-pandemic, had a heavy commute pattern, less trips on the weekend, that is how your teams will schedule those transit trips. When you see those travel patterns

change and you adjust accordingly, that is something they have done here very well in Washington, and other transit systems are doing the exact same thing as it relates to particularly commuter passenger travel.

Ms. NORTON. Thank you very much, Ms. Maynard.

And I yield back.

Mr. CRAWFORD. The gentlewoman yields.

Mr. LaMalfa.

Mr. LAMALFA. Thank you, Mr. Chairman.

Mr. Scribner, in talking about the electric vehicle and the Highway Trust Fund situation, the trust fund has been backfilled by about \$280 billion since 2008, bailouts during the COVID era, all sorts of issues along that line with the bailout.

So, with the huge push on electric vehicles, there really isn't a good mechanism yet for them to be taxed in a way that is commensurate with what combustion vehicle cars are doing. What do you see, from your viewpoint, would be the fairest way of doing that?

I mean, I am looking at, there are ideas for taxing everybody by the mile or maybe just do that with electric vehicles or some other method. What do you see as the best way for making the EVs be part of the solution?

Mr. SCRIBNER. Thank you very much for that question.

I do believe the future is shifting our revenue collection from per-gallon taxation to per-mile charging, where the method of propulsion of the vehicle doesn't matter.

So, the Infrastructure Investment and Jobs Act did reauthorize a State technical assistance grant program for States to conduct pilots on these kind of mileage fee approaches, and it also established a national pilot which is yet to get off the ground. But I do think—and that is something Reason Foundation has worked on for a couple of decades—is that the long-term shift will be away from per-gallon toward per-mile charging.

And I think that not only does that incorporate electric vehicles, and, in fact, the declines we have seen in fuel tax collections per vehicle-mile traveled have primarily come, to date, from improving fuel economy—

Mr. LAMALFA [interrupting]. See, that's the perverse thing in that is that everybody has been incentivized or shoved into getting better mileage vehicles, and so, the Government then says, like, heck, we are not getting enough out of your gas tax dollars, so, we are going to hit you another way now.

What do you think about, though, with the possibility of how intrusive keeping track of people's mileage is going to be? I mean, such as GPS or the meters as you drive past like on toll roads. How do we do that in a way that isn't in people's business personally, tracking where they are going and such?

Mr. SCRIBNER. Right. That is an excellent question, and privacy is a top concern and a major focus of the research right now. The simplest way is to simply not collect location information.

Hawaii, for instance, recently established what will become a mandatory mileage fee program, and what they do is they leverage their annual safety inspections and collect odometer readings, which they already were. They were collecting odometer reading information, and they are simply then applying a fee to that.

Mr. LAMALFA. Not every State has an annual requirement. You have to go visit somebody and take time out of your day or week to do that. So, some have 2-year smog checks. Newer vehicles don't have to go for their first smog check for 6 or 8 years. So, now we have another trip people have to make to go report something.

Is there a way we can do this on an honor system where I can just fill out a form annually if I can afford it or quarterly if I want to pay quarterly or an estimate? How about that?

Mr. SCRIBNER. Well, perhaps, maybe not quite the honor system, but there are applications. You can take a picture of your odometer reading with a cell phone and then be subject to occasional random auditing. So, there are ways to implement—

Mr. LAMALFA [interrupting]. A picture of my odometer or maybe my neighbor's odometer? I mean, at what point do you decide you trust people or not?

Mr. SCRIBNER. Right. These mechanisms—and there is a tradeoff between privacy and auditability for any of these systems—

Mr. LAMALFA [interrupting]. I am pretty big on the privacy side, sir. So, I think let's design a system where people aren't being followed around even more so just for the Government to take money from them, right.

So, let's shift gears to high-speed rail in California, one of my favorite things to talk about since it is such a boondoggle and a rat hole in my home State.

So, what do you see as—let's just shift to—well, let's keep it with Mr. Scribner.

Now, you have seen how that thing has been estimated \$33 billion to begin with. It was what the voters were sold when they agreed to \$9 billion worth of bond money, and it has since risen to \$128 billion and counting, and it is many, many years behind.

Please expound on the idea. Is high-speed rail really the be-all end-all, or are there other forms of public transit that can be helpful?

Mr. SCRIBNER. I think the system that is being built very, very slowly in California has suffered a number of many predictable problems, some less predictable, but this is something we have also worked on at Reason Foundation for the past two decades. Predicting many of these problems that turned out—we turned out to be a little more optimistic than reality.

I do think that high-speed rail may serve potentially some niche routes in the United States. But given the geography and population density, it is unlikely to serve nationwide customers. And I think that it is a mistake to oversell the potential of high-speed rail.

Mr. LAMALFA. Thank you. I appreciate it.

I yield back, Mr. Chairman.

Mr. CRAWFORD. The gentleman yields.

Mr. Larsen.

Mr. LARSEN OF WASHINGTON. Thank you, Chair.

Mr. Regan, as Congress looks ahead to the next couple years, one of the policy decisions we will probably have a discussion about is this balance between Federal funding between capital and operations for transit.

Now, currently, Federal law allows rural and small urban transit agencies to use funds for operations but doesn't allow transit agencies in large areas, except for preventative maintenance.

How would you suggest Congress look at this balance, recognizing there is perhaps a limited amount of dollars—as much as it is, it is still a limited amount in order to split between operating and capital?

Mr. REGAN. Well, I think, obviously, there are going to be different needs in different communities. So, I think we have to provide the opportunity for when there are grant funds for applicants to use their own discretion about what is the greatest need right now.

I mean, if you are a community that needs more service or expanded service, you have got plenty of buses, it doesn't make sense to invest in more buses. It makes sense to invest in more people that can operate those buses and maintain them.

Certainly, I think that flexibility aspect is a critical aspect to this. And certainly, I think we should take a look at Mr. Johnson's bill that would provide a dedicated matching grant program that would allow agencies to apply specifically for operating assistance or operating support from the Federal Government.

Mr. LARSEN OF WASHINGTON. Ms. Maynard, do you have, from APTA's view, an answer to my question?

Ms. MAYNARD. I tend to agree with some of what was previously stated. I think if you have seen one transit agency, you have seen one transit agency. And certainly, for the rural providers that depend on the 5307, the Federal grant funding for their operations, is key for them.

Over half the transit systems in the United States are run by smaller rural transit agencies. For the larger systems, particularly the legacy systems, I think there is that flexibility that is needed.

You might find that one year you are going to invest, depending on your rolling stock capital replacement plan, on the capital. You may need more that year or that quarter than you do for operating.

I think on behalf of APTA, we certainly think the flexibility is key and that at this point we have not taken a formal position but do believe it is important to have the discussion on ensuring that there is funding available for both.

Mr. LARSEN OF WASHINGTON. Ms. Hendricks, in Washington State, in fact in my district, Community Transit—I mentioned Community Transit a little bit in my opening statement as doing a lot of different things, looking at different routes in order to accommodate the light rail that is coming in.

They are expanding the BRT, bus rapid transit system, as well, but they are also partnering with local communities on—it is not really microtransit as much as it is on-demand, transit on-demand. But it is still kind of the same concept about filling gaps.

Could you chat a little bit about some of the drawbacks to microtransit as well as you mentioned some of the benefits?

Ms. HENDRICKS. Yes. When you think about microtransit, we have implemented microtransit at NATA, many of our members that operate for agencies. And at first it appears that it could be more expensive per rider, but in fact, when you look at the allocation of the resources and you are replacing a smaller vehicle in

some situations and on-demand with a large—versus a large fixed-route bus, it actually is balanced out on the costs and cost effective.

And truly the benefits of microtransit, and on-demand more specifically, is allowing people to have access in connecting those individuals on that first and last mile to the public transit systems that are already in place.

So, we have seen benefits of that, as mentioned in my written testimony, and in New York, for example, where we are doing 500 trips a day already, passenger per trip, and it hasn't increased our cost. It has increased the riderships and it helped us regain ridership post the pandemic to connect people on that first and last mile to the infrastructure that exists within the public transit systems.

Mr. LARSEN OF WASHINGTON. Thanks. I will have some followup on that as well.

Mr. Regan, back to you. Regarding the creation of joint labor-management safety committees and better reporting on transit worker assaults, has the implementation of these policies been successful? And what work needs to be done—not what is left—but what is next to improve safety?

Mr. REGAN. Well, the final rule was just announced a month ago, so, it is wait and see how everything works.

I think a key part is going to be the extent to which transit agencies embrace their labor partners on how to tackle this problem collaboratively.

That is what the program was designed to do to make sure that the people who are every day seeing the risks on the ground, in the buses, on the trains, in the stations, can provide that knowledge and expertise into the drafting of public transportation safety plans that protect both commuters and drivers.

So, for us, I think that we should be—I hope that agencies will view their labor partners and their workers as assets in this process about how do we tackle a very complicated problem and one that so far has eluded us and also, frankly, provides a disincentive for people to ride the trains or a disincentive for people to decide to apply for these jobs when what they hear about public transit is that it is a dangerous place to be.

Mr. LARSEN OF WASHINGTON. Thank you. I don't yield back my negative 30 seconds.

Mr. CRAWFORD. We will bank that for the next one.

Mr. Stauber.

Mr. STAUBER. Mr. Larsen, I will just take your 30 seconds anyway.

Thank you, Mr. Chair. I appreciate you having this meeting.

I recently discussed crime on public transportation in another subcommittee hearing, but I think this discussion bears repeating.

In the last few years, Minnesota, like many States, adopted policies that punished law enforcement and took away their resources. They complemented this with policies that extended leniency to criminal behavior, and now our public transit systems are breeding grounds for crime.

Between January and April of 2024, Minnesota Metro Transit reports a total of 1,248 criminal incidents. This number includes 230 assaults, 457 drug offenses, and 299 destruction of property incidents.



Instead of cracking down on the bad behavior, the Democratic trifecta in Minnesota, they took a different approach. Fare violations are now a \$35 ticket instead of a \$180 misdemeanor charge, and they have replaced police officers with full arrest powers with transit rider investment agents, TRIP agents, non-police agents who are to remind criminals of the behavior rules.

These soft-on-crime policies are exactly why Metro Transit still only has half the ridership they did at pre-pandemic levels.

Mr. Regan, we have seen countless reports citing incidents in which bus and rail workers have been gruesomely attacked by unruly passengers, putting the safety of transit workers, commuters, and pedestrians at risk.

Can you elaborate on how crime has impacted transit workers?

Mr. REGAN. Well, in some cases it has been catastrophic. We have had members die on the job, attacked while driving a bus, for example.

In other cases it is—the broader trend, in my view, as I just mentioned, it is a deterrent towards doing the hiring—meeting the hiring goals of transit agencies all across the country are meeting here.

So, I am encouraged by what the Federal Transit Administration released about a month ago, that the passenger safety and transit safety plans—

Mr. STAUBER [interrupting]. Are you going to request police officers with full arrest powers or people that just remind people of bad behavior?

Mr. REGAN. We have not taken a position on that moving forward. We want to make—

Mr. STAUBER [interrupting]. So, let me ask this. Are you saying your union workers are OK with reminding people of bad behavior?

Mr. REGAN. Again, we have not taken a position. That is not something—what I hear from our members is they want more active engagement from their employers, from their agencies, to make sure that their concerns and their needs are being met when they are on the job.

We are in the process of engaging with them in this process, and the Federal Government is providing good leadership when it comes to the real safety concerns on board these buses and transit systems.

Mr. STAUBER. Representative Quigley and I went to the Metra in Chicago. Very impressive. I don't think those union workers would be OK with people—TRIP agents—being, quote, “reminders” to criminals of the bad behavior, assaulting your workers.

I, along with several members of this committee, have attempted to communicate with the Federal Transit Administration the dangers that our transit workers and law-abiding citizens face on transit.

Have you felt that your expressed concerns have been heard by the agency? Because I feel that Congress has been ignored.

Mr. REGAN. Certainly when—during the rulemaking process for this entire—for the passenger and transportation worker safety plans that were just released, we had extensive conversations with them and a lot of our concerns were met.

The original version was not quite what we would have envisioned, what we would have liked. The final version certainly met a lot more of our needs that are binding in terms of worker engagement with their employers, ensuring that we can develop these plans.

And by the way, I think, more importantly, having—we need to have more information, more data about where the risk factors are and where the problems are. And these safety plans that are going to be developed with worker input will help allow us to make further steps down the road to try to address some of those problems.

Mr. STAUBER. How long do you think before that safety plan will be implemented?

Mr. REGAN. Well, there are going to be—there are requirements on all of the transit agencies to adopt these plans. I think it will vary, depending on which agency and how they are going to engage in the process. But we intend to hold everyone accountable because our members' lives and well-being are at risk.

Mr. STAUBER. Yes. And I agree with you. We talk safety, safety, safety. It is first, second, and third priority. I appreciate that. But, again, I don't think your union members would be OK with reminders or transit TRIP agents for violent behavior. I think that is what gives our transit a bad name.

I yield back.

Mr. REGAN. Well, violent behavior—

Mr. CRAWFORD [interrupting]. The gentleman yields. The gentleman has yielded.

Ms. Napolitano.

Mrs. NAPOLITANO. Thank you, Mr. Chairman.

Mr. Regan and Ms. Maynard, along that line, in the Bipartisan Infrastructure Law, we approved the funding and requirements for installation of protective shields in buses to prevent assaults on busdrivers.

How has this provision been implemented? Have there been obstacles to improving safety measures in these buses? And I know I have called for increased security shields. Can you address it?

Mr. REGAN. I am sorry? Increased security? Yes, of course.

I think we have long called for reimagining what—again, for the drivers, this is their workspace.

What does their workspace look like? How do we make sure that not only are they protected on the job, but also in some cases, it is about protecting pedestrians, making sure that blind spots are eliminated, making sure that there is better visibility on oftentimes very busy streets.

But, yes, I think the workplace for these transit operators needs to be improved and needs to make sure that they are protected on the job.

Mrs. NAPOLITANO. Ms. Maynard.

Ms. MAYNARD. Thanks for the question.

On behalf of the industry, it is very, very important that we listen to the operators as it is very important that we listen to our customers and in terms of how they feel safe, when they don't feel safe.

In Las Vegas, we were one of the first in the United States to add driver enclosures. We did that in 2016. We meet regularly with

our union employees to understand what they need to feel more safe as well as our passengers.

We have been given great advice from the operators. To Mr. Regan's point, it is their workspace, whether it is devising a system that is fully enclosed but has a window they can open so they can speak to the passengers. We get the feedback from those operators.

But we saw over a 70-percent decline in incidents occurring in our vehicles when we installed driver enclosures.

So, the industry itself, again, is listening to what their employees want and are asking our bus manufacturing partners to start designing better enclosures that can be part of the bus build.

Mrs. NAPOLITANO. More protected? Yes?

Ms. MAYNARD. I am sorry?

Mrs. NAPOLITANO. More protected?

Ms. MAYNARD. More protected, exactly.

Mrs. NAPOLITANO. Because we provided funding and requirements for the installation of protective shields, but we have no record of whether it has been enough or whether there is more required.

Ms. MAYNARD. If I am hearing you correctly, the OEM bus manufacturers, that wasn't something that you could buy off the shelf, if you will.

But because of the feedback from the drivers, and certainly part of it came from the pandemic in terms of just wanting that protection between yourself and the customers, it really has proven to be a great safety technique.

And so, there is a manufacturer here in the United States that is building a really great shield. AROWGuard is the name of the company. And we are working closely with the bus manufacturers to make that part of the bus field, because those shields do work.

Mrs. NAPOLITANO. And how is your transit agency and other agencies dealing with the rising level of homelessness on transit? And what are the policies that transportation is implementing to deal with the issue? What is the cost to the transit agencies to address the issue?

Ms. MAYNARD. Thank you for that question.

And, again, it is something that I think a lot of systems around the U.S. are doing. In Philadelphia, SEPTA has done a great job. Again, what happens in any urban city is spilling over and happening on transit.

And so, a very complex issue. And this is about working closely with the jurisdictional—with their social service agencies.

For example, in Las Vegas, we work with the city of Las Vegas and Clark County. They have a team that comes out once a month or twice a month to meet directly with passengers that need social services. Housing recommendations, addiction counseling, things like that. And it is part of partnership with our law enforcement.

Mrs. NAPOLITANO. Yes. You addressed it a little bit.

Ms. Maynard and Mr. Regan, my district in San Gabriel Valley has major transit lines, including Foothill Transit, Metro, and the new Metro Gold Line. And the constituents prefer to use transit. Some still live and work too far from major transit lines.

How are you improving first and last line connections, as Ms. Hendricks indicated more should be done? What more can be done?

Ms. HENDRICKS. Yes. As I spoke earlier, what we can do is implement an on-demand or a microtransit service that is provided. It is a smaller vehicle where we can have designated pickup points and allow people to then connect to the transit system that is in place so everyone can have access to the essential services needed in our community.

So, we have seen that to be a great solution and we think that that will continue to develop as we emerge into changing and adapting to the new needs of public transit within our cities.

Mrs. NAPOLITANO. Thank you.

Mr. Chair, I yield back.

Mr. CRAWFORD. Gentlewoman yields.

Mr. Johnson.

Mr. JOHNSON OF SOUTH DAKOTA. Thank you, Mr. Chairman.

So much of the money and the attention around public transit goes to metropolitan areas. Obviously, transit is pretty important for rural areas as well, particularly for older Americans and for those with disabilities.

That is why I was so grateful, Ms. Maynard, that in your testimony, you did talk about some of what is going on in rural transit, particularly with regard to folks with disabilities.

So, put a little bit more meat on that bone. Talk to us about the challenges that transit providers face in rural America that they don't face in big cities.

Ms. MAYNARD. Thank you for that question.

And I have to agree with you, when you talk about fixed route, I think generally what comes to mind first and foremost is the able-bodied, the person that can get on a bus and go to work. But in public transit, we do so much more than that.

Paratransit is a big part of what we do, ensuring the disabled community has the same access, the same access as everybody else to where they need to go. We know that rural transit agencies utilize public transit for the disabled 50 percent more than other transit systems, and so—

Mr. JOHNSON OF SOUTH DAKOTA [interrupting]. OK. Say that again. I want to make sure we are all hearing that.

Ms. MAYNARD. So, rural transit systems, their disabled community, they take transit 50 percent more than your urbanized systems. It is very important. It is the connection sometimes to—and I don't want to sound dramatic here—but to life. It is making sure they get to where they need to go. And so—

Mr. JOHNSON OF SOUTH DAKOTA [interrupting]. Healthcare and employment particularly, if you don't have access to those things, it is really hard to live a full life.

Ms. MAYNARD. That is correct. In Las Vegas, as an example, our rural provider, Southern Nevada Transit Coalition, we, RTC, are the local match. If not for the local match, the rural transit agencies have a very difficult time ensuring that funding is available to meet the needs of their rural residents.

Mr. JOHNSON OF SOUTH DAKOTA. So, let's talk about that funding. I would imagine that with FTA, so many of the grants are probably written with metropolitan systems in mind. Again, that is where most of the ridership and most of the dollars are.

Are there things we can do to make sure that rural systems have a fair shake at FTA, or do you think things are good as they are?

Ms. MAYNARD. I think that funding is critical now. I came to the RTC 17 years ago. Prior to that, I was in the private sector. My job was to make money for the businesses that I worked in.

I was surprised when I started working in transit that we don't make money. The model is one that expenses will always exceed revenues. And it is that public good, serving customers in rural and urban areas, that matters.

And so, that funding is not only at the Federal level, it is the State level, the local level. It is a three-pronged approach, if you will.

But you can't say enough for, again, that funding. It is necessary, and it is ongoing, and it could be better. And so, to make it better, again, it is going to require a price.

Mr. JOHNSON OF SOUTH DAKOTA. And almost certainly making sure that folks who are writing the eligibility criteria are keeping rural systems in mind, because it is—again, it looks very different.

We have had some conversation about microtransit today. I am grateful for that.

Ms. Hendricks, you have talked a bit about that as well.

So, from either of you, other things we should keep in mind with regard to—and I assume people who are moving toward microtransit in rural areas are also doing some fixed route.

Talk to me about that transition. How far along are we? What will the next few years look like?

Ms. MAYNARD. Well, in southern Nevada, we had an area in southern Nevada that was one of the fastest growing for 6-plus years. We did not have funding to add transit there, even though we got calls from residents and businesses, "Hey, I need transit for my employees," that sort of thing.

And so, we used some of the Federal funding. We looked at this area and decided—we did a cost analysis. Should we use applied fixed-route and your traditional paratransit service in this area, or do we do microtransit?

And our approach is sort of a "love all, serve all." On one bus, on-demand, we are moving seniors, students, paratransit customers, and fixed-route customers, and that model has turned out to be cost effective. We are spending less in that model than we are in traditional fixed route of paratransit. So, I think it is—

Mr. JOHNSON OF SOUTH DAKOTA [interrupting]. A huge success story.

Let's give Ms. Hendricks 30 seconds here.

Ms. HENDRICKS. Yes. Similar to what Ms. Maynard said, I think when you look at commingling the services that are available, and there are also enhanced technology platforms that we have recently—some of our NATA members have implemented, that allows you to do more on-demand in effective routing and scheduling and commingling those riderships in the same vehicle that it remains cost effective, but it increases the availability and access to those that are most needed.

So, we are looking at that. Again, one of our NATA members in Lubbock, Texas, has implemented that with the proper software for

our RATPDev. And it is really working effectively to maintain the same amount of cost, or cost-effective but increased ridership.

Mr. JOHNSON OF SOUTH DAKOTA. Well said.

With that, I yield back.

Mr. CRAWFORD. Gentleman yields.

Mr. DeSaulnier.

Mr. DESAULNIER. Thank you, Mr. Chairman.

Thank you, Ranking Member.

And thank you to the witnesses.

I'll start with Mr. Regan.

As you know, Mr. Regan, I represent an urban-suburban district in the East Bay of the San Francisco Bay area. COVID has changed our world. We have a general accounting office working in my office with a study about the 10 largest metropolitan areas, so, sort of the opposite of the last comments, where 65 percent of the U.S. GDP is.

All of those areas, and particularly in California where we have transitioned—we are trying to transition from a car culture and four-bedroom, two-bath houses to higher density and higher transit ridership.

In the bay area, for years, we have aimed at trying to get to 10 percent peak trips on transit. We have diminishing returns on transit agencies and democracy, sort of the opposite of Los Angeles. But when we look at New York or London, London at 90 percent, and for climate change our black box for emissions, that is where our biggest challenge is. And then along comes COVID.

Because of our tax structure in California and Prop 13, it doesn't reward local municipalities to provide housing. They get money from commercial development and retail.

Well, that has all changed. In the last 2 weeks, there was a study by the Bay Area Council—and, again, this is—we are probably an example of this, but it is happening in all these, DC, Boston, New York, Chicago, Atlanta, that a survey of the major employers in the bay area, in San Francisco, but also in Silicon Valley and the business parks in the East Bay, the overwhelming number of largest employers say we are going to 3 days in office a week.

The quality of life for people who have to commute an hour, 2 hours from the far edges of my district, the financial district of Silicon Valley, is greatly enhanced by that, one of those two incomes being home with their kids.

So, that is the new reality. The San Francisco Chronicle did a story yesterday, and I think it was the Bay Area Council did this, too, that they estimated it would be 20 to 30 years before the occupancy rate in San Francisco would return to where it was pre-COVID.

So, we have spent a lot of time in California doing 4/10s, trying to get people to do 4/10s. We changed labor law.

Now we have sort of got a gift when it comes to quality of life and emissions reductions and greater efficiencies, but we have got these infrastructure opportunities that, unfortunately, the MPO, which I used to be on, and the transit agencies, want to keep spending money the way they always did. Like, we are at 40 percent at BART of pre. It is not going to get back to 100 percent fare box recovery in the near future.

So, being a friend of labor, ATU, and operating engineers, how do we make this work and protect the rank-and-file, but also protect the working people who are trying to get transit and be flexible knowing the traditional heavy investments, like extension of BART in the Silicon Valley—we are going to do that, but we have got to look at it differently, in a different way than we ever have. How do we do that in a collaborative fashion where we are really efficient about this?

And I would be happy to listen to any of the—the model has changed for 65 percent of the GDP in this country.

Mr. REGAN. Yes. Thank you for the question.

I think that where we have seen some successful transitions from major transit organizations, and I mentioned this in my oral testimony, places like Atlanta, that are looking at where their demand is, how do we evaluate our routes both for bus and transit and also our timing?

If the traditional Monday and Friday 9 a.m. and 5 p.m. rush hours are no longer going to be the primary driver of ridership, how are we going to meet the demands of people in our communities?

And I think you are seeing it in places like Washington, DC, for example, where you are not seeing as much of the peak hour traffic, but you are seeing increased traffic at other times during the week, whether it be more people using the Metro to come in on the weekends and visit our lovely museum systems here in the city.

So, I think as transit agencies look at their resources and look at how they are allocating their routes, their ridership, and how they can take the people that are—they are professionals who are operating these systems—and allocate their expertise and their resources to better meet the growing demands.

But I think that takes work. That takes work for people to study what is actually the demand in their communities right now.

Mr. DESAULNIER. And I have heard that argument in California. However, that is a small number of what our fare box recovery was. I mean, it is 1 or 2 percent potentially.

So, the model is still—we can't keep doing things the way we always did. We have to adapt to that, but it is not an answer to what we have lost on the peak in terms of fare box recovery.

Mr. REGAN. Well, but part of it also is you need to have a system that will draw people into the ridership as well. I mean, we saw it in California. In L.A., one of their major lines, they operate 30-minute service. Every 30 minutes you are going to operate. And they saw their ridership increase by 17 percent.

So, when you have a reliable service, you are going to see a lot more people that are going to be drawn to that as an option as opposed to trying to drive or spend 60 bucks on a ride share, yet you are going to see more people as an opportunity.

Mr. DESAULNIER. Thank you. I yield back.

Mr. CRAWFORD. Gentleman yields.

Mr. Van Drew.

Dr. VAN DREW. Thank you, Chairman.

Just before I begin, I want to associate myself with the remarks of Congressman Stauber, who just spoke a little while before. I would maintain, whether you are union, non-union, whether you

are a passenger, whether you are a repair person, just an American, whether you are a resident, people want to be safe.

And some of the attitudes and philosophies, unfortunately, in some areas—and they are unfortunate, because we no longer enforce the law. When people do bad things, when they commit crimes, they have to be punished. That is just fair. It is fair and equitable justice.

So, I think Mr. Stauber brought some good points out.

But I am not here to speak about that. I actually—I am going to ask forgiveness from my colleagues on both sides of the aisle, because I am going to speak a little bit in a parochial way. I am going to speak about southern New Jersey.

For those of you who are familiar at all, southern New Jersey is much different than the northern part of the State, which is very compressed, very packed, which is the suburbs of New York City.

Southern New Jersey is beach and bay, even rural. We have lots of farmland. And of course I have the largest congressional district geographically in the State of New Jersey. It is almost half of the State.

And my district has perpetually been suffering from a lack of access to public transportation. We are seeing the most impact of this is people's ability to get to their doctors, to get to their pharmacies, to get to their grocery stores. It is real and it is a problem, and I know it is not easy because it costs a lot of money.

But coupling this with the concern of small and local physicians and pharmacies, their doors are closing, many of them. It has changed. They are big centers. Many people, especially the older population, are traveling greater distances than ever before.

So, over the years, I have personally worked with groups such as the South Jersey Transportation Planning Organization, New Jersey Transit, to address these concerns.

But I want to push it a little further. Believe it or not, I want to learn.

So, at this time, I am asking all of you for any suggestions, all of you in your field, to provide guidance, suggestions, assistance, whatever we can do at the Federal level to bring more public transportation to my home and my district of South Jersey.

It still matters there. We have many people who retire there from the city of Philadelphia, from other areas.

During the summer season, it is not as much of an issue, because the routes are increased. Our population in some of our towns by July Fourth, because it is so tourist driven, goes up tenfold sometimes.

So, our questions that we can now start from the beginning and just go right through.

Are there any specific groups that you all think that my team should be working with?

What avenues have you seen to be most successful?

Dusty touched on it a little bit—Congressman Johnson, I should say—in public transportation in rural areas.

What are the strategies to make this better? Not every town is a teeming city. There are places that are more spread out and more rural.



So, I appreciate you being here. I appreciate your advice. I really mean it.

So, I am going to start with you and go right on down the line.  
Ms. MAYNARD. Thank you.

Everything you said, we see it. Ridership is important, but how you connect people to where they need to go, those critical services, particularly in rural areas, is real.

And through the funding that we receive, because the way that FTA works, we are considered an urbanized transit system, and so, our funding comes through 5307. The rural transit systems are funded under a different category, if you will.

And I think it is taking a look at, again, how that—we work closely with our rural provider and understand the challenges that they have.

And, again, every single year we invest in that rural transit system in the spirit of partnership, knowing that the needs of those in the rural community are real. They have a difficult time getting, like to your point, to a pharmacy, to a doctor's office, just to get groceries.

And so, a suggestion I would make, again, is looking at that funding piece that goes to the rural portion and understanding if it is adequate. From what I have been told, at least from our rural provider, it is a challenge.

And so, funding continues to be a challenge not only in the urbanized areas but also in the rural areas. You will hear me say this again and again. If you have seen one transit system, you have seen one transit system. They are all funded differently. It is that three-legged stool.

So, at the local level, if it is sales tax or property tax, that varies all across the United States, and the level of funding you get from the local or State level will depend on how much service you are going to provide. Fare revenues only cover about 30 percent of operating, and that is across the board.

And so, again, it is looking at that investment. When you invest in transit, you are investing in the economy, you are investing in the quality of life of the people in your community.

So, it is looking, again, at those funding levels and are they adequate to even meet the needs of your community, those rural community residents, and working closely with the FTA in terms of those funding mechanisms that are specifically addressed for rural transit agencies.

Dr. VAN DREW. I thank you. It was a good answer. And you ended up speaking for everybody, but that is good.

And I yield back.

Mr. CRAWFORD. Gentleman yields.

Ms. Titus.

Ms. TITUS. Well, thank you very much.

M.J., I was proud to join you and the Federal Transit Administration when we announced the \$150 million that we got from the Bipartisan Infrastructure Law for the Maryland Parkway Corridor. Thank you for mentioning that.

I have represented that area for 11 years. It goes right through the heart of the district, right through the heart of the valley. People are going to school. They are going to the hospital. They are

going to the airport. They are going downtown. They are going to work on the strip. It is an amazing corridor. I can go on and on about it.

But you are the representative from APTA, not just from RTC, so, could you speak to the value of the CIG program for improving and providing transit options for people all over the country?

Ms. MAYNARD. Congresswoman, I just have to acknowledge that you know more about your district than—it is impressive. And you are right, actually the Maryland Parkway, the BRT, without that \$150 million investment—that was a match. We came up with our local match in order to receive that funding. It was a competitive grant. Your hard work helped us deliver on that.

It is serving one of the busiest corridors in Nevada. It is going to revitalize the entire area, enhanced shelters, shade structures, wider sidewalks, better lighting.

The CIG program is critical for ensuring that you can not only improve your existing [inaudible] but to also expand and modernize. And that is exactly the CIG program that transit systems around the United States are looking to use it for, again, is to expand and/or improve.

The FTA has more requests than they have funding available. The CIG program, the BIL, both are oversubscribed to a certain degree. Again, more transit systems need the resources than there are funding available.

So, it is critically important as a way to ensure that we are expanding, growing, modernizing, and improving the services we have in our communities today.

Ms. TITUS. Thank you. Thank you for doing that.

I want to talk about the attacks on transit workers. We see that increasingly. It has been mentioned. I know that the FTA has approved a general directive on transit worker assaults.

Mr. REGAN, can you address that? Do you support this directive? Are there other things that Congress could do to help develop that policy or protect these people who are on the front lines and really have no control over who might get on their bus especially?

Mr. REGAN. Yes. Thank you. And, yes, we very much support the rule that was released just a month ago. In fact, I was happy to go join the FTA in Indianapolis for the rollout of this rule.

As I mentioned earlier, I think how effective it is going to be is going to depend on the full buy-in of the agencies across the country, about how seriously they are going to take these safety committees, and how readily they are going to embrace their unions and their workers as partners and as valuable resources and assets in terms of developing policies that will protect both their employees as well as passengers in these systems.

Ms. TITUS. Some of the violence that you see on buses is between passengers, not for the passenger and the busdriver, but they have to take some responsibility there and often get involved in that.

Mr. REGAN. That is absolutely right. And, again, the workers, the busdrivers are the ones who see where these tripwires are, where you have the problems, where the potential conflicts arise from.

And so, their insight in terms of how we can try to address this, through policy, through design, through fare services, all of that, the worker voice needs to be part of it, because they are the ones

who see all of this stuff going down, they are the ones who can help identify where the risk factors are.

Ms. TITUS. Ms. Maynard, do you all, from your side of things, work with your busdrivers and people on the front lines to come up with this policy?

Ms. MAYNARD. Absolutely. You have got to go where the experts are. Boots on the ground, if you will.

When we make those decisions, and not just we, RTC, but the industry itself is very involved in ensuring that that—again, the partnership with your employees, the partnership with law enforcement, the partnership with social services, it all matters. You can't make a decision in this silo.

And so, understanding what the drivers need. And the passengers too. We talk to the passengers to understand what they need to feel more safe.

But certainly we could not do—we have, not only RTC, but systems around the United States have those regular meetings, safety meetings, where they talk to the drivers and the operators, "What can we do to support you?"

So, it is a partnership in addressing something, again, that is very complex.

Ms. TITUS. Just as a quick aside. One of the programs you have with the buses in Las Vegas that I think is great is in conjunction with the public libraries, so that when you get on the bus, you can connect to the public library. You can read. You can hear music. You can browse the catalog. That keeps maybe riders occupied.

Ms. MAYNARD. That is right. We have a library on the go. You can download a library book or music when you are riding our system.

Ms. TITUS. Great. Thank you.

Mr. CRAWFORD. Gentlewoman yields.

Mr. Kean.

Mr. KEAN OF NEW JERSEY. Thank you, Mr. Chairman.

And thank you to all the witnesses for being here today.

This is an important hearing regarding the lessons learned by transit agencies during and after the pandemic. And nowhere is transit more important than in New Jersey.

This vital method of transportation became more evident when New York City decided to implement the Central Business District Tolling Program.

It is good that Governor Hochul decided to indefinitely postpone the implementation of this congestion pricing plan. From the very beginning, I and many of my colleagues in New Jersey and around New York City advocated for the cancellation of the congestion pricing plan, a plan that was and is deeply flawed, unfair, and simply a money grab on New Jerseyans.

Last year, I was proud to cosponsor and support in this committee H. Res. 609 expressing strong opposition to this misguided plan.

And as a member of the Anti-Congestion Tax Caucus, this indefinite postponement is a win for all New Jerseyans, and I will work across the aisle to make sure this plan is never implemented.

Ms. Maynard, as you doubtless know, crime has been on the rise in transit systems across the country. Many of my own constituents

have been in touch to complain about conditions on trains and around stations.

What effect have you seen this increased crime having on post-pandemic recovery plans and efforts to increase ridership?

Ms. MAYNARD. Congressman, thank you for that question.

I think it has had, again, a very large impact in every urban setting. This is not necessarily a transit problem. This is a problem that is occurring in urban cities.

And, again, transit is a rolling microcosm of what is happening in any urban city. And if crime is increasing, the homeless—unhoused—population is increasing, drug addiction, mental illness, things of that nature, if that is occurring in the city, you will see it on public transit. We are an open space, a public space.

And so, again, it is working—I have in Las Vegas personally worked closely with our sheriff. Their police department, they are understaffed at this point. But they have been great partners. They are helping to address some of the crime that is occurring within the urban corridor and at our stations.

And, again, it is a very complex problem. It takes that partnership of law enforcement, your own security services, technology, using data.

We are the first in the United States to—

Mr. KEAN OF NEW JERSEY [interrupting]. Do you see a relationship—I am sorry, if I may. Do you see a relationship between fare evasion and these trends of increased crime?

Ms. MAYNARD. I think fare evasion has always been a challenge and an opportunity for transit systems. I think the way—again, when you talk about a legacy system, cities that are literally built like yours, built around public transit, maybe some of the technology, I know they are making technology improvements in terms of fare evasion here in Washington. They are doing a great job in increasing or stabilizing the fare gates, and I think they have seen this over 70 percent.

So, to answer your question directly there, I think, again, it has been a challenge for transit systems since we started operating. It is something that we work on every single day.

Mr. KEAN OF NEW JERSEY. Thank you.

Mr. Regan, we know that the pandemic has had dramatic effects on transit operations and the workforce.

How have TTD union members weathered these past 4 years as far as pandemic-related changes to systems, services, and operations?

And with these broader trends in mind, are TTD union members being provided the training they need to be successful in transit systems well into the future?

Mr. REGAN. Thank you for the question.

How we adapted, I think, frankly, without the support of—the Federal support for transit systems across the country, I think we would have been in really big trouble coming out of the pandemic when ridership dropped.

I think there was a recognition broadly, on both sides of the aisle, that these systems are vital to keeping our communities moving during a very—during a catastrophic time.

We were making sure that grocery workers and doctors and everybody else were able to use transit to get to work to provide the vital services we needed.

Moving forward, I think that there is a need to adapt. There is certainly going to be a need to identify where ridership trends are going and how we are going to adjust to a new working world that we are in here.

But, thankfully, because of Federal protections like 13(c), there are requirements that when we have investments from the Federal Government into local communities, that we must protect those workers so they can't just be outsourced, they can't just have their wages and benefits cut, and that they must be provided training if they are going to be transitioned to a different part of the transit agency.

So, I think it is a vital part of this moving forward.

Mr. KEAN OF NEW JERSEY. Thank you. I yield back.

Mr. CRAWFORD. Gentleman yields.

Mr. Cohen.

Mr. COHEN. Thank you, Mr. Crawford.

I appreciate all the witnesses here today, and Ranking Member Norton for holding this hearing.

We are well aware that transit agencies across the country, including the Memphis Area Transit Authority, also known as MATA, which is in my district, face challenges in funding their operating expenses with fares.

I recognize an increased Federal funding for operating expenses risks a deficit for capital expenses. This is precedent as funding for the FAA has historically prioritized the agency's operations account at the expense of its facilities and equipment account.

The public transit systems are expensive to run and they should be funded by a partnership of agencies of local and State and Federal Governments.

That is why I am pleased to cosponsor with my friend, Representative Hank Johnson, the Stronger Communities through Better Transit Act, which would take a balanced approach to remedy operating expense shortfalls without diverting too much funding away from capital expenses.

I understand the history of it and I understand the thoughts. But if we put all this money into capital and we don't have people riding, we are not using the capital. And we have got to have the system work, and that is going to take fares and other investments to make sure we have public transit systems.

Mr. Regan, some would argue that public transit is a local problem or a local issue and that operating expenses should be funded locally.

Could you elaborate on how the benefits of public transit go beyond just the surface area and why Federal and State funding could be helpful to the whole region?

Mr. REGAN. Yes, and thank you for the question.

I mean, we have recognized for over 60 years that public transit is a national interest, that we have a responsibility to provide Federal support for these programs.

They keep our economies moving. They provide vital services for people whether they are elderly, disabled, or just are unable to af-

ford a car to get to where they need to be, whether it be to jobs, to medical appointments.

Mr. COHEN. Groceries?

Mr. REGAN. Exactly. And so, we have a requirement to support these communities, whether they are large or small, to ensure that they have the resources they need to provide a vital public service to their constituents.

Mr. COHEN. My city, like many major urban areas, has lots of food deserts. So, people do have problems getting to a grocery store, and they need public transit, and it takes a long time, and for their healthcare appointments, because there are healthcare deserts. It is an issue the Federal Government should be involved in and State governments, in my opinion.

Supposing that they were expanded, the Federal funding for operating expenses, how can we ensure that agencies don't simply shift the funds around to take capital expenses, take it out of capital expenses, and increase this backlog?

Mr. REGAN. Well, I think one aspect, one way to do it is that you have separate pots of money. So, you have different programs where you can apply for operating assistance through one pool of money and you can apply for capital through another pool of money.

That provides agencies with the flexibility they need to identify what their needs are at the moment. Whether it is—there may be the situation where we need to re-fleet our bus program, and that capital expense is going to be vital for them to do that.

There may be other situations where there is a shortfall, there is a gap in their funding, and they need to have operating assistance or they need to be able to expand services to areas that are being underserved, in which case, you can apply for an operating assistance grant.

So, there are different ways to do it so you are ensuring that people are actually being targeted to what the needs of the agencies are in that moment.

Mr. COHEN. Thank you, sir.

Ms. Maynard, you are not only Vegas, but also the American Public Transportation Association representative here. Do you believe that it would be helpful to many communities to have Federal funding available for operating funds, expenses, as well as capital?

Ms. MAYNARD. Thank you, Congressman, for that question.

On behalf of APTA, we have listened to the members. Again, it is very important, you have some of the smaller rural transit systems that absolutely rely on the operating assistance so they can use their Federal funding for operating over urbanized. It is much more restricted.

I think, first and foremost, you have got to make sure that whether it is a railcar, a bus, light rail, you have got to make sure that it is in good working order, so it is reliable, so they can pick up those folks and take them where they need to go. So, it is really a balance, and I think that flexibility is important.

Some agencies will find, based on their capital replacement program, the timeline that they need to invest in capital rather than potentially add a new route. So, again, it is that flexibility that I think is key.

We continue to listen to the members of APTA. We haven't taken a formal position but do believe flexibility is very important in this category.

Mr. COHEN. Do you have any idea what percentage of public transit authorities are able to run on just their fares?

Ms. MAYNARD. That would be zero. Again, it is a business. It does not generate a profit. It never—that is just the way—it is a public good similar to how we are funding roadways and aviation and public safety. It is an investment, and transit is an investment in your community.

Mr. COHEN. Thank you, ma'am, and thanks to the whole panel.

Mr. CRAWFORD. Gentleman yields.

Mr. Kiley.

Mr. KILEY. Thank you, Mr. Chair.

A paradox of the modern history of our country is that we are on the leading edge in so many ways when it comes to technology and innovation, and yet our large-scale public infrastructure, with public transit being a clear example, often lags behind the rest of the developed world.

And it can just be an unpleasant experience for people. It is unsafe. It is unreliable. But then you go to other developed countries and you see they have really well-functioning and widely used public transportation systems.

I mean, if you look, just for example, at the San Francisco Bay area, this is a region populated by the most innovative companies in the history of the world.

And then you get on Muni or BART, the public transit systems, and it is very antiquated and often not a good experience and doesn't get you where you need to be in an efficient manner.

So, I guess my question is maybe for you, Mr. Scribner.

What can we learn here from places that actually do public transportation better across the world?

Mr. SCRIBNER. Well, setting aside the differences in income and sort of the urban geography, I think one thing they do much better than the United States is leverage innovative procurement methods. So, there is a lot more—you see a lot more public-private partnerships in providing competitive contracting, that service.

I think that lends itself to innovative technologies, where in the United States, we have no heavy rail systems that are fully automated. I mean, where we see automated rail systems is primarily at airports.

That is now standard practice around the world, new lines being built fully automated. And we are just not seeing that there because I think we are stuck in the 1960s. We have 60-year-old transit laws that really haven't been modernized.

And that is not the approach they have taken in Europe and in Asia and in other places where transit is much more robust and much higher quality.

Mr. KILEY. So, they have just incorporated better technology into their infrastructure because they have been continually updating and modernizing.

Mr. SCRIBNER. I think through providing the incentives for—under competitive contracting, that creates that incentive to drive innovation, and I think that is why you see a lot more interesting

things coming out of those countries in the transit realm than in the United States.

Mr. KILEY. So, on that point of sort of modernizing technology, I mean, we have in the U.S. been leading the way when it comes to innovation and transportation. In a lot of other ways, I mean, our companies have pioneered electric vehicles, autonomous vehicles.

In San Francisco right now, Waymo has a network of self-driving cars, and there is every indication that autonomy is going to become more and more widely adopted in terms of the number of folks. And there are all kinds of models about how is this going to affect car ownership.

So, in that context of changing transportation technology and potentially huge changes in car ownership and other methods by which people just go about their daily life, how should we be thinking of the next generation of public transit in that context, in terms of demand, in terms of the available options?

Mr. SCRIBNER. Well, I think we have heard from some of the other witnesses a discussion around microtransit, and I think those kinds of—we may not—the 40-foot bus may not be the future of transit in America.

So, I think looking at different vehicle sizes, different operating models, focusing more on on-demand service, really trying to get at the being closer to private vehicle service. Because what private vehicles offer, which is why the vast majority, more than 90 percent of households have cars today, is because it provides much better access to the surrounding area.

And I think for transit to compete, it needs to try to take on some of those characteristics that cause the vast majority of Americans to not choose transit.

Mr. KILEY. You have spoken to this, Ms. Hendricks, today as well. Do you have anything to add or any other sort of next-generation transportation technologies or ideas that are important for us to keep in mind when thinking about public transportation?

Ms. HENDRICKS. Yes. I think it has been mentioned before. The ability to adapt to the current realities in the future starting with network design. Understanding where people are residing and where they are moving to is the first key.

So, really focusing on the network design in order to have the most safe, reliable, and on time, right? To get people into public transit, it needs to be safe, it needs to be reliable.

So, when you look at the future, as I mentioned in my testimony, from representing NATA, the more microtransit on-demand that allows people to connect to the larger cities and the urban areas of the public transit systems is one method to do that.

I think partnering with our labor partners as well to understand and get their input, because I agree that the people closest to the position understand. So, we need to listen to where the driver's input is.

But I think, looking at the shift, that will require a collaborative effort amongst many, including our public agencies and our partners, to ensure that we have the right vehicle in the right place at the right time. It is going to be safe and reliable to enhance rider-



ship and reduce the congestion that is currently involved in many of our major cities.

Mr. KILEY. Thank you. I yield back.

Mr. CRAWFORD. Gentleman yields.

Mr. Menendez.

Mr. MENENDEZ. Thank you, Chair.

And thank you to all of our witnesses.

The COVID-19 pandemic rapidly changed our day-to-day lives, especially how we work and commute. During the pandemic, modified work schedules dramatically decreased transit ridership levels.

While I have recently seen positive trends that show ridership bouncing back, commuting trends in the post-pandemic world are still different and transit agencies are still struggling with budgetary shortfalls.

It is not just transit agencies that are struggling, but many companies that provide shared ride services, such as bus companies that service regular routes and coach and charter bus services. These are often small businesses that provide a critical service who have struggled during the pandemic and are still struggling today.

In New Jersey's Eighth Congressional District, A&C Bus Line, a private bus company, announced the termination of its Jersey City routes. This could have left residents in our district with fewer transit options if it weren't for New Jersey Transit swiftly stepping up to provide services on these routes.

And we look forward to continuing to work with all of our partners to ensure we are providing a reliable, quality, safe commuting experience for all of our residents.

Ms. Maynard, can you talk about how transit agencies are addressing small-scale transit needs and what Congress can do to help transit agencies in this effort?

And I know it has been touched on during the course of this hearing, but sort of thinking about how sort of the universe of the commuters it is serving in a densely populated area like the Eighth Congressional District of New Jersey and sort of what tailored solutions might be available to public transit agencies as they think about the pathway forward.

Ms. MAYNARD. Congressman, thanks for that question.

I think it is going to be dependent on where you are. So, if you have got a large city like—whether it is New Jersey or New York, Chicago, and you have got multiple modes of transportation, you have got commuter rail, light rail, heavy rail, you have got a bus system, paratransit, I don't think you can have enough options in understanding what your community needs.

Mr. MENENDEZ. How do you think—in thinking about the existing infrastructure and making sure that we have an integrated transit system, how do we—should we be thinking about where there are gaps currently in service, or should we be thinking about what we may need to replace or modify within the existing structure or just building new structures around the existing infrastructure?

Ms. MAYNARD. Quite frankly, it is both, I think. You need to understand where the gaps are. I mean, an integrated system is the best system for your community.

And I think understanding where those gaps are, that is our job. Our job is to take a look at the customers that we are serving, where they are, where they are going, and how do we adequately assign the assets that we have to ensure that we are meeting, to the best of our ability, the community.

And in some cases, again, I think it takes a village, if you will. It isn't just one mode. It isn't just the bus. It is not just the rail. You have to understand the layout of your city.

Las Vegas is very car-centric, and so, the way that our agency may look at implementing public transit and those connections or gaps could be very different to what you see in a large urban core.

Mr. MENENDEZ. Sure. I appreciate that.

Mr. Regan, your testimony touches on several workforce challenges that transit agencies are facing. Can you talk about what transit agencies and other transit providers can do to recruit and retain a robust transit workforce?

Mr. REGAN. Thank you.

First of all, I think implementing strongly these new safety plans is going to be a key part of that. There is no worse recruiting tool than the media reports we see of busdrivers getting beat up or spit on or ultimately—or even killed—in terms of bringing people into this workforce.

And I think, frankly, a lot of advertisement about this, these are good middle-class jobs that you can raise your family on. They have good healthcare benefits. That is an important aspect.

Most of the members and every member that I represent, that I speak to, is very proud of the role they play in this community. And so, I think exposing more people to that is going to help bring more people into the workforce.

But we are facing a cliff, let's be honest. I think a huge percentage of the workers are eligible to retire within the next 5 years. And we need to get going to make it a safer working environment and to make sure that we have more people have access to these great jobs.

Mr. MENENDEZ. And, listen, the safety is a priority of ours. As you know, last year, we led a bipartisan coalition of 114 Members in a letter to the FTA calling for them to take action on transit worker assaults, because it is a problem, especially in this post-COVID environment. We all agree that these essential public servants deserve a safe working environment.

Can you talk about how transit worker assaults impact worker recruitment and retention? It is a followup to sort of your previous answer.

Mr. REGAN. Yes. It couldn't be a worse effect on recruiting people into the industry when people are afraid to go to the office. Nobody wants to feel that. That is not a good advertisement.

And, again, I think we have to address the safety problems. I think we need to really robustly implement the safety plans that have been now required. And then we have to start getting to work to educating people on what the benefits are of this industry and how vital it is and what a good job it can be for you.

Mr. MENENDEZ. Listen, I look forward to partnering with you on that and thankful for all of the essential workers that you represent.

Thank you, and I yield back.

Mr. CRAWFORD. Gentleman yields.

Mr. D'Esposito.

Mr. D'ESPOSITO. Well, thank you, Mr. Chairman.

In 2011, Nassau County, the county that I am proud to represent in New York, privatized our public transportation system, the largest public transportation provider ever to make this transition.

In just over 3 months that year, the workers represented by TWU Local 252 and the new contractor, Veolia, which is now Transdev, were able to negotiate and implement a new collective bargaining agreement that sustained all 900 workers and ultimately expanded transit service in our area.

That success would not have been possible were it not for the Federal transit worker protections, also known as 13(c) protections.

The TWU and Veolia were allowed to come together under the auspices of the 13(c) negotiations to get this done in a process that would not have been possible under the National Labor Relations Act.

Ms. Hendricks, Transdev is the contractor for the Nassau Inter-County Express, we call the NICE Bus. I have heard from the Transport Workers Union that they have had a great working relationship with you in that system.

Would you agree that you have a solid working partnership with the workforce on Long Island?

Ms. HENDRICKS. Absolutely. We pride ourselves in working with our frontline team members and our labor partners as well. They provide the services that make our jobs possible. We don't forget that.

And I think to recruit and retain the best talent possible, as we have been able to do in NICE Bus, and it services Long Island, is to ensure that we continue to connect our frontline team members to the purpose that we serve and making a difference in the lives of others: providing public transportation to get them to essential services.

So, we do have a strong relationship with our labor partners, and more importantly, with our frontline team members who come to work every day to service our communities.

Mr. D'ESPOSITO. And when Transdev takes over a transit system like you did in Nassau County years ago, you do so knowing that these 13(c) protections are in place for the workers, correct?

Ms. HENDRICKS. Absolutely. We abide by all Federal law and regulations, yes.

Mr. D'ESPOSITO. And do you still make a profit providing transit service as a third-party contractor?

Ms. HENDRICKS. We do make a profit as providing a third-party service contractor.

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**Post-Hearing Supplement to Remarks from Laura Hendricks, Chief Executive Officer, Transdev U.S., on behalf of the North American Transit Alliance**

As a private company, we are able to invest in innovation, technology, and expertise to find efficiencies and save cities money. We are also able to use this expertise across all our contracts to ensure we operate as "best in class." We have been able to save Nassau County approximately \$35 million per year or \$350 million over 10

years through contracting while making a small profit. This shows how public-private partnerships allow for the highest level of service to our communities and in a cost-effective manner. This is a tremendous win-win scenario that speaks to the benefits of partnering with the private sector to deliver safe, reliable, and efficient public transportation service.

Mr. D'ESPOSITO. Now, just going back for a second to your relationship that you foster with the frontline workers. We are obviously a county, and my district borders Queens and New York City, which obviously, the NYPD is doing all they can to fight crime in Nassau County. The Nassau County Police Department continues to work each and every day to keep our community safe.

What, if anything, could be done? Obviously, we know that the legislation put forth by the State legislature, criminal justice reform, cashless bail, has seen a rise in certain crimes, especially those that are being arrested and then released to commit more crimes.

But what can we do—what have you done with your frontline workers to—I know, as Mr. Regan had mentioned—what are you doing to keep that frontline staff safe? And what can we do on a Federal level to work with you to make sure that when they go to work each and every day they are kept safe?

Ms. HENDRICKS. I think there are several things that we have done, particularly coming out of COVID, where we have seen the increase. One is the protections that Ms. Maynard mentioned before in the buses and ensuring there is protection there. But in addition to that, we have in most buses—representing NATA, not just Transdev here today, but the North American Transit Alliance for the five largest private operators—where the buses are installed with an alert button so that if there is any activity on the bus, that the driver can notify and hit the alarm system that is going to notify dispatch or the local authorities immediately to respond.

But we also, for our frontline workers, we have training, which is workplace violence, deescalation training, and active shooter training. So, we are continuously putting all of our frontline team members through that training that helps them better prepare to meet the situations that are unknown or uncertain in today's society.

Mr. D'ESPOSITO. And, obviously, with that training—and I know the answer specifically in Nassau County is yes, but I am assuming in other places, you partner and collaborate with the local law enforcement agencies to make sure—

Ms. HENDRICKS [interrupting]. Absolutely. We work very closely and collaboratively with all of our local law enforcements in all the communities that we serve.

Mr. D'ESPOSITO. Great. Thank you very much.

My time is just about expired. Mr. Chairman, I yield back.

Mr. CRAWFORD. The gentleman yields.

Mr. Carbajal.

Mr. CARBAJAL. Thank you, Mr. Chairman.

Ms. Maynard, over the last several years, more and more transit workers have been assaulted for simply doing their jobs. We have seen agencies put up their shields to protect drivers at the wheel, but that does not seem to be slowing the rate of assaults on these workers.

These assaults, which have been widely publicized, are discouraging people from riding transit, discouraging workers from applying for jobs at transit agencies, and pushing more and more current transit workers into other safer jobs.

The FTA recently proposed a general directive on preventing assaults on transit workers. I know this is a little redundant, as many of us are asking similar questions. Can you discuss what steps transit agencies are taking to prevent assaults on transit workers and beyond the FTA's minimums?

Ms. MAYNARD. Thank you. I hope I am—I am a bit redundant here, but, again, it is understanding what safety mitigation factors you can use on behalf of drivers. And certainly, with driver enclosures, we have seen a double digit, over 70-percent decrease in assaults on drivers because of that enclosure.

It is absolutely—partnering with law enforcement, whether that transit system has its own law enforcement agency, they have a private security company, or they have an MOU with the local police jurisdictions, that partnership is key.

Both the drivers and the passengers feel safer. And we have done surveys. We have asked them if they feel safer when they see, whether it is a local police department or just a security officer, when they see their presence there, they feel safer.

I think it is understanding, again, what partnerships that you can work with in your local jurisdictions. And as I stated earlier, it is working with some of the social service agencies.

Transit is a reflection. It is a microcosm, a moving microcosm of what is happening in any urban city. And so, if you see—if crime is up—it is an open space. We love all. We serve all as public transit.

And so, we are going to see what is happening in an urban site, it is going to happen on a bus. And so, it is ensuring that we are spending resources.

One of the things we are doing at RTC, we have invested—well, the first, two other agencies are following, a company called ZeroEyes. We have the ability now through artificial intelligence and predictive analytics to identify a gun, if someone is carrying a gun, pulls out a gun in any of our transit terminals, that is in place. So far, it has worked, and we have had a couple of instances that have proven effective.

We are the first agency in the United States that the operators are carrying with them this mobile GPS device that if something happens and they are off the bus, for example, a layover, they press it, it goes right to our BOC or into our security office, and we can respond immediately.

And so, I think it is some of the things you would think of: working with law enforcement. But it is also looking for technologies that can enhance the protection of both the customers and the workers.

Our passengers in Las Vegas also have the ability on our mobile app to anonymously report something that is happening on a bus. We have live—our local police department asked us to install live look-in on all of our vehicles. Other transit systems have that. So, at any point in time, law enforcement and/or our team can view

what is happening on any bus at any time just by—just, again, by that technology.

So, it is going to take some of that, the work that you expect, but also technology improvements.

Mr. CARBAJAL. Thank you.

Mr. Regan, following up on my question to Ms. Maynard, what more can Congress do to better protect these workers?

Mr. REGAN. Well, first of all, I want to say that everything that Ms. Maynard has said has been really great in terms of what they are doing proactively to help protect their workers. Unfortunately, that has not been the case in many transit systems all across the country. That is why Federal leadership was so necessary and why the provision that you all included in the Bipartisan Infrastructure Law was so vital, because it does require transit agencies to develop these safety plans and to do so in a way that is collaborative with their workforce and with their unions.

And I do think that as the Federal Government, now that we have a law—a rule that is in place and a law that was passed a few years ago, attention to your local agencies to ensure following up with them, what are you doing? How are you engaging? Where are we in the process of developing these plans? What results are you seeing?

All of those things as a Federal representative are things that you can do to try to hold your own transit agencies accountable. And I assure you, where we see failures, where we see people not doing what is necessary, when we see agencies not doing what is necessary, we will be sure to engage you all to let you know that there are problems with the law, with fulfilling the intent of the law that you all passed.

Mr. CARBAJAL. Thank you very much.

Mr. Chair, I am out of time. I yield back.

Mr. CRAWFORD. The gentleman yields.

Mr. Moulton.

Mr. MOULTON. Thank you very much, Mr. Chairman.

Mr. Regan, unfortunately, the MBTA in Boston has had some troubles with safety over the past couple years, necessitating the Federal Government to get involved. We are not proud of this, but we want to fix it and we want to make it better.

Can you share some of the best practices that you have seen across the country that we might apply back home in Massachusetts?

Mr. REGAN. Certainly. And thank you for the question.

But I know that enclosures and reimagining the workspace for workers is an important aspect of that because, at the end of the day, again, we are protecting people in their workspace, and that is an important aspect.

So, the physical space is important, but also, I think these safety plans that are going to be developed that are required now where workers have the opportunity to have their input, and they have to be adopted jointly with the union and with the agency. It can't just be—recommendations can't just be imposed by the employer in this aspect, which is important.

But I think for the most part—I mean, there is not going to be a one-size-fits-all solution to the safety problems. It is not going to

be the same in Boston as it is in Las Vegas or as it is in Rochester, New York, where I am from, because they are very different environments and different agencies.

So, I think the beauty of what the program that was put in place is, is it is going to take into account the local agencies, the reality of the local agencies, as well as what the workers, the eyes and ears on the ground of these systems are seeing day to day and can help implement meaningful reforms that will protect both workers and passengers in those systems.

Mr. MOULTON. Thank you very much.

Mr. Scribner, I appreciate some of your comments on high-speed rail and its viability in certain corridors, if I understand your background correctly, because I have long made the case that there are a lot of reasons to love high-speed rail, but one of them is that if you are a fiscal conservative, it is a good investment and is a good return on investment.

In fact, there is not some vast high-speed rail conspiracy that infects every other developed country in the world and just hasn't made it to America yet. It is just that a lot of other countries weigh the options. They actually have transportation policy that allows them to choose high-speed rail over highways with similar amounts of funding, which is not the case, of course, in the United States. The subsidies vastly favor airports and highways. And when they do that analysis, it often comes back that the cost-benefit ratios favor high-speed rail.

In fact, I happened to coauthor at Harvard Business School a study on California high-speed rail that reached two basic conclusions. This was 10 years ago. One, it is going to cost more than they are saying. We know that is true. But the second is that it still costs less than making the comparable investments in airports and expanding highways that you would have to make to meet 2050 demand. And that is so often left out of this debate.

I wanted to ask you, what are your views on how we should subsidize transportation? And how should we be subsidizing transit, should we be subsidizing highways, et cetera?

Mr. SCRIBNER. Yes, thank you for that question. It is pretty expansive.

My general view is that we should be trying to reduce subsidies across all modes and to stop distorting the choices of people who ultimately choose one mode over the other, the time they choose to travel, and so on and so forth.

So, I am a—

Mr. MOULTON [interrupting]. By the way, this is where I completely agree. If we just had a level playing field, that we actually allowed sort of free market in transportation to determine the best solutions, there would be some corridors where we say it is too long for trains, you need to fly. Other corridors, it is just a better drive.

But some corridors really make sense for transit or for high-speed rail, and we ought to do the economic analysis to determine that.

We commissioned a study, my office did back in Massachusetts, to look at, what are the subsidies for driving? Because I don't think we think about that very much. We often think about the subsidies

for transit agencies, and we hear these numbers about how much of each fare is covered by the taxpayer.

We just asked, what are the subsidies for driving? It turned out that they determined, in the State of Massachusetts, the State subsidizes driving to the tune of \$64 billion every year. That is \$14,000 per taxpayer, regardless of whether you own a car.

And these subsidies come in the form of everything from just building and maintaining highways to providing State police, providing emergency services. Forty thousand Americans died in car crashes. It is taxpayer dollars that clean all of those up.

In contrast, by the way, not a single person has died in the entire history of high-speed rail in Japan.

But as an aside, how do we think about reducing these subsidies, these gross oversubsidies for highways?

Mr. SCRIBNER. Well, when it comes to the interaction between subsidies for the road network and transit systems, for one, I think there is a synergy with congestion pricing and not simply because of the revenue but more for the incentive to not drive at those peak hours, and that may make transit more attractive.

So, I think there are ways to reduce the subsidies across modes and equalize across modes.

Mr. MOULTON. Thank you, Mr. Chairman. And I sure hope you can speak with the Governor of New York.

I yield back.

Mr. CRAWFORD. The gentleman yields.

Mr. Owens.

Mr. OWENS. Thank you, Mr. Chairman, Ranking Member, and to the witnesses today.

My home State of Utah has a remarkable story to share with other States and, more importantly, the Federal Government. They can follow the same type of success that facilitated Utah's transit ecosystem to thrive. In fact, Utah's post-pandemic lessons are a stark contrast to the doom and gloom of some of the testimony today.

Utah's Transit Authority does not run a budget deficit. Ridership is up 92 percent of pre-pandemic levels and expected to exceed pre-pandemic levels by next year. It has not dug itself into a hole with fiscally irresponsible reduced fares. There are no National Guardsmen on Utah's transit because of safety, because safety is not an issue. Riders are and feel very, very safe.

The State legislature continues to make historic investments into transit, this year alone putting \$400 million into our FrontRunner double-tracking effort in anticipation for the 2034 Salt Lake City Olympics. This is not by accident.

The Governor, the legislators of the city, and local officials work arm-in-arm with their metropolitan planning committee and organizations to anticipate transportation needs for the State decades into the future.

Utah's unified transportation plan, which has mapped out our transportation needs all the way out to 2050, works because everyone had a hand in it, including our rural partners. They are not left behind.

I have said this from coming onto this committee, that Utah does it right. We collaborate. We are innovative. We think outside the



box. We want to make sure we are keeping an environment that keeps our kids in Utah instead of exporting them.

And if I can say one thing for the benefit of not only Utahns, but this country, let us be the model. We know how to collaborate, how to run a budget, and how to think outside the box, and take advice from innovators. So, I am going to make that big ask. Let us be the model.

Ms. Maynard, in your capacity with the Regional Transportation Commission of Southern Nevada, what do your interactions with the regional metropolitan planning organizations look like, and how have you collaborated with them for the benefit of users within your transportation authority?

Ms. MAYNARD. Thank you, Congressman. As your neighbor in the State of Nevada, you have a fabulous CEO, Jay Fox, running UTA. You do a great—we admire you from afar, I should say.

I am sorry, could you—I am thinking about the FrontRunner. If you could ask me that question again. My apologies.

Mr. OWENS. Yes. What do your interactions with the regional metropolitan planning—

Ms. MAYNARD [interrupting]. Got it. OK, yes.

So, it is interesting, we are one of the only organizations in the United States; we are also the metropolitan planning organization. So, literally, transit is on one floor, and you can walk down the hall and MPO is on the other floor. So, the collaboration is key because we are, again, we are on the same team.

We look at funding through our MPO for transit. We work collaboratively as the MPO. Of course, they are the regional planning organization for all of southern Nevada. We are the public transit provider for all of southern Nevada, so, it works very, very well.

I know that is not always the case in the United States, but I think, generally speaking, the nexus there to have both the MPO and the transit system under the same roof has worked exceedingly well.

Mr. OWENS. And just know we have mutual respect for what the State of Nevada is doing.

The next one is, Nevada, like Utah, has experienced rapid growth in the last 20 years, and the RTC, like UTA, is fiscally stable.

What does Nevada and Utah get right that other States are missing?

Ms. MAYNARD. Again, I think a lot of it has to do with the investment that the community, the elected officials, whether at the local level or the State level, want to make in that system. I think that—I speak on behalf of the transit systems today, and I do think there are just some amazing transit CEOs that are doing the best that they can.

I think we all take it very seriously how we spend tax dollars. We are a business. We may not generate a revenue, but we need to operate like a business. And I think when you look at it that way, again, it is looking at how you can more efficiently and effectively spend those tax dollars.

And certainly understanding that we have been—Utah, Arizona, Nevada—one of the fastest growing regions, it is understanding the

origin and destination and where people need to be and, again, how you allocate the resources that you have.

Mr. OWENS. Thank you.

As I close out, I will just say, I think we all need to look at this as a business. Return on investment and best value to our customers. So, thank you so much. I appreciate that.

Mr. CRAWFORD. The gentleman yields.

Mr. GARCÍA.

Mr. GARCÍA OF ILLINOIS. Thank you, Chairman, and thanks to all the witnesses for being here today.

I think it is important to remember the historical context of how we got here and who this impacts. The decision to end the use of Federal funding for transit operating expenses dates back to the Reagan administration. The deeply rooted Government culture of deprioritizing transit is inherently tied to the deprioritizing of certain racial and socioeconomic communities as well.

When we talk about the transit fiscal cliff, Latino, Black, and Brown communities are still the same groups of people that will be harmed the most by further cuts to transit.

We also cannot forget the transit operators who are at the core of our transportation system. For almost 50 years, 13(c) transit labor protections have been a core component of our Federal infrastructure investments, and they prevent Federal money from undermining existing labor standards. It is critical that Federal investments directly benefit working people and don't displace existing jobs. That is exactly what 13(c) does.

Mr. Regan, can you explain how continuing to disinvest in transit and erode 13(c) protections would impact our most vulnerable communities and workers?

Mr. REGAN. Sure. And thank you for that question.

When you look at the decision that was made during the pandemic, a wise decision to allow for the use of relief funds by transit agencies to be used for operating expenses because Congress rightfully recognized that this is a vital service that needs the support to keep communities moving during this crisis that we were facing. As we are looking forward and we are looking at what the needs are of different transit agencies, having the flexibility to be able to use Federal funds for operating assistance is critical.

And as was mentioned by one of my fellow panelists earlier when asked about the number of transit agencies that operate that meet their costs entirely based on fare box revenue, the number was zero. So, there are going to be needs. That could be—some of that may be on capital. Other areas, that may be on operating assistance.

But the Federal Government needs to show the leadership to provide the opportunities for these agencies to use Federal money as they see fit.

Mr. GARCÍA OF ILLINOIS. Thank you.

I would also like to highlight a topic that some see as a quick fix for these financial challenges, which is the use of autonomous vehicles for public transit.

Again, Mr. Regan, do you feel that this is an effective substitute for transit operators? And what dangers do highly automated vehicles pose as the technology stands today?

Mr. REGAN. Well, as it stands today, there are substantial risks. There is not a lot of proof that this can duplicate what is done by professional drivers in the world. I mean, as Waymo recently reminded us, they still seem to confuse trees from roads and sometimes make the wrong choice. This is a problem.

So, I think jumping to whatever the futuristic version of public transit is without the safety testing and the responsible policy-making that would be required is, frankly, irresponsible.

And I think transit unions and workers have dealt with major leaps and changes in technology for over 100 years. This is not new to us to see more people implementing or bringing new technology into our industry, but we have had to find a way to adapt.

And I think as we are looking at what new technology is coming forward—because we would be foolish to try to just say no, put it back in a bottle—we do need to have policies in place that are ensuring not only will it be implemented safely, that we are going to make sure that it is making workers be able to do their jobs better, but also look at the economic impacts and what impact it would have on communities if we are suddenly gutting jobs, major sources of good jobs in this country.

Mr. GARCÍA OF ILLINOIS. Thank you for that.

I think it's clear that these technologies are not a replacement for transit operators to run a safe and smooth operation and that, at the bare minimum, we need to ensure a safety network is in place as soon as possible.

Thank you, Mr. Chair. I yield back.

Mr. CRAWFORD. The gentleman yields.

Mr. Molinaro.

Mr. MOLINARO. Thank you, Mr. Chairman.

I am glad to join you all. Thanks very much.

For full disclosure, I spent the last 12 years in county government where in the State of New York I administered a public transit system.

Mr. Regan, it is good to see you again. Can you reiterate specifically what kind of protections are afforded through 13(c)?

Mr. REGAN. Yes. And thank you for this, because it is—I think 13(c) is really at the core of what has created such labor stability over the last 60 years since it was implemented. It establishes the right—it protects the right to collectively bargain for the workers when there is Federal investment being put into a region.

It also makes sure that, if in the event that there is a new provider, that wages and benefits can't be unilaterally slashed. Where there are differences, they are negotiated locally between the union and the provider and signed off on by the Department of Labor usually very quickly.

And finally, when there are changes that need to be made due to this investment, Federal investment in the transit operations, it ensures that workers have the opportunity to be trained and that there are the resources to train them into other jobs, oftentimes upskilled with higher wages and benefits.

So, it is creating more opportunity in communities throughout the country. So, if you are in a community that receives Federal funds and you have—13(c) is going to be attached to it, you are making sure that this is not just an investment in stuff, it is not

just an investment in a vehicle. It is an investment in the community and in the people in that community—

Mr. MOLINARO [interrupting]. We tend to forget—I am going to—not to interrupt you, but to reclaim my time, I guess.

We tend to forget that the very people that are protected by collective bargaining agreements and the relationship between employer and employee through those agreements are, in fact, the people paying taxes as well and engaged in our community. And certainly, during COVID, we know that transit workers were on the extreme frontline, tragic deaths, and a lot of violence.

Mr. Scribner, you offered and authored an op-ed that takes a uniquely different focus and approach as it relates to 13(c). You called for the repeal of transit worker protections in order for agencies to more cheaply outsource and automate jobs.

Does the Federal law actually prohibit agencies from using technology to achieve greater efficiency?

Mr. SCRIBNER. No, but it has been cited as a barrier for 50 years.

Mr. MOLINARO. It has been cited as a barrier by whom?

Mr. SCRIBNER. Office of Technology Assessment's study on automation, the automating rail transit—

Mr. MOLINARO [interrupting]. I often wonder how many collective bargaining agreements those individuals have engaged in. I happen to think that, in fact, the biggest challenge is employers, municipal employers especially, don't know how to negotiate good contracts with good employees.

But to be clear, there is no prohibition, right? Local providers can achieve technological advancements under Federal law, and 13(c) doesn't preclude that from happening, correct?

Mr. SCRIBNER. There is not an outright prohibition.

Mr. MOLINARO. Right. So, I just offer to a degree that it is both lack of will and capacity that keeps many of these transit providers—I was one of them—from achieving the kind of efficiencies and partnership with their employees, and that I fear certainly that, to the elimination of 13(c) as protection, means the elimination of jobs.

So, you, obviously, advocate for more autonomous vehicles. We certainly know this as a technology transition to make sense, and, of course, other countries are employing it. Paris now has untended train lines, and in that transition, not a single worker lost their job.

Is there anything in U.S. law that would prevent a transit agency from doing exactly the same thing? Could they not make the transition and protect jobs at the same time?

Mr. SCRIBNER. No, but they could not realize labor cost savings, which provides a pretty strong disincentive to invest in pretty expensive new capital.

Mr. MOLINARO. So, when you say that, that is an assumption that I don't think plays out when you have a capable municipal or transit authority employer negotiating a collective bargaining agreement with capable, qualified employees. And I do think that this rush to undermine the collective bargaining agreements and the protections afforded public or municipal employees is always the excuse we use in order to achieve savings. I think that that is the kind of thing that gets addressed by people who don't actually

negotiate the contracts or don't want to take the political risk of negotiating healthy contracts.

And I do think after COVID, and certainly what we have seen—and pardon me for isolating and focusing on your commentary, but I find it offensive because, ultimately, there are individuals who are going to work every day trying to do their jobs well, and they want the protection of the Federal Government. They want the protection of their local governments.

And what we need is the 13(c) protections but the Federal transit authorities to ensure that they are supporting the capacity of local communities to make the most efficient and effective transit decisions possible while protecting the people who are moving our people.

I yield back, Mr. Chairman.

Mr. COLLINS [presiding]. All right. Thank you.

The chairman now recognizes himself for 5 minutes.

As someone that has made my living for 30-plus years in the trucking industry and being in the—my wife and I have owned a trucking company now for 30-plus years—I can tell you firsthand that our highway system is in need of a lot of improvement.

My concern is that money will be diverted from the Highway Trust Fund in order to pay for transit programs. And so, what are transit agencies doing to improve the stability of their finances so that they are not dependent on the Federal Government to bail them out?

And I would just like to go down the line for anybody that wants to tackle that question.

Ms. MAYNARD. Thank you for that question.

I will—again, at the RTC, we are not only the public transit provider, we are the roadway funding agency. And we understand that, again, that it is an approach that takes, whether you are funding your highways or you are funding public transit, how you move people, goods, and services matters. If you have a transportation problem, you have an economic problem in all those modes.

And so, I think, again, if you have got State or local efforts looking at how you fund—how various regions fund their roadways are different.

So, in Nevada, we had a ballot question in 26 that passed overwhelmingly where we were indexing field tax to inflation. It allows us now—we have a lot more local money. That is a great match for any Federal opportunities to, again, improve our roadway systems.

It would be the same for public transit. Again, they both matter, right. They are both public good. And how roadways are funded, how the aviation system is funded, how transit is funded, it all matters in how we move, again, our goods and services—

Mr. COLLINS [interrupting]. No, I understand that, but I don't think I have ever been subsidized with anything. Normally, we are the one that pays. And so, that is where I am leading to.

What are the transit agencies out there doing to improve their own finances so that they are not dependent on the Federal Government to bail them out all the time?

Ms. MAYNARD. Again, thank you for that question.

It is an industry that does not generate a profit, and I think, again, it takes local funding, State funding, and Federal funding.

And, again, it is a public good. When you invest in transit, you are investing in your community.

I think certainly at the local level, many transit systems around the United States engage with their local elected officials to pass ballot initiatives and various funding mechanisms. Each transit system is funded differently to a certain degree. If you have seen one transit system, you have seen one.

So, some transit systems, it is sales tax, property tax, DMV fees, [inaudible], So, I think it just depends on that local government.

Mr. COLLINS. OK. Thank you.

All right. I didn't know if anybody else wanted to tackle that one.

Well, that is all I had. I wanted to come by and ask that.

With that, I yield back.

Are there any further questions from any members of the subcommittee who have not been recognized?

Seeing none, that concludes our hearing for today.

I would like to thank each of the witnesses for your testimony.

The subcommittee now stands adjourned.

[Whereupon, at 1:29 p.m., the subcommittee was adjourned.]

## SUBMISSIONS FOR THE RECORD

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**Letter of June 13, 2024, to Hon. Eric A. “Rick” Crawford, Chairman, and Hon. Eleanor Holmes Norton, Ranking Member, Subcommittee on Highways and Transit, from John Samuelsen, International President, Transport Workers Union of America, AFL-CIO, Submitted for the Record by Hon. Eleanor Holmes Norton**

JUNE 13, 2024.

The Honorable RICK CRAWFORD, Chair,  
The Honorable ELEANOR HOLMES NORTON, Ranking Member,  
*Subcommittee on Highways and Transit,*  
*Committee on Transportation and Infrastructure, U.S. House of Representatives.*

DEAR CHAIR CRAWFORD AND RANKING MEMBER NORTON,

On behalf of more than 155,000 members of the Transport Workers Union of America (TWU), I am writing to offer the following statement for the record as part of your hearing on *Revenue, Ridership, and Post-Pandemic Lessons in Public Transit*. Our members operate, maintain, and service more than half of all public transportation rides in the United States. We represent transit bus and subway operators, mechanics, station agents, track workers, dispatchers, supervisors, cleaners, bikeshare workers, and others across the country. TWU is the lead union representing transit workers in New York City and its suburbs, Philadelphia, San Francisco, Houston, Miami, Columbus (OH), Omaha, Corpus Christi (TX), Akron (OH), and elsewhere.

The TWU strongly supports the testimony presented by the Transportation Trades Department, AFL-CIO (TTD). We would echo all of their comments—in particular the need to establish stable federal funding for transit operations and emergency relief (as H.R. 7039 and H.R. 7012 each do, respectively).

We are deeply concerned that the committee has chosen to give a microphone to an extreme voice calling for the repeal of federal transit worker protections. It is our experience that these protections have provided an unmitigated good for our economy over the past sixty years and that they are more necessary now than ever. These protections have been intentionally built into the larger machinery of our transit systems—so much so that many may not realize the essential role they continue to play. We offer this statement for the record in unequivocal support for these protections and we encourage the committee to reject calls for eliminating them.

### TRANSIT LABOR PROTECTIONS—13C—ARE ESSENTIAL FOR OUR ECONOMY

Federal transit worker protections—originally signed into law as section 13c of the Urban Mass Transit Act in 1964 (now codified as 49 USC 5333(b))—are one of the core components of our infrastructure investments. These protections are designed to prevent federal money from undermining existing labor standards. 13c ensures that federal investments directly benefit working people and do not undermine local economies by displacing, destroying, or undermining existing jobs.

Mechanically, 13c requires recipients of federal transit aid to maintain “protective agreements” that include at least six sets of assurances:

- preservation of workers’ rights, privileges, and benefits;
- continuation of collective bargaining rights (note that 13c does not require the creation of any new collective bargaining rights);
- protection of individual workers against worsening of their positions related to employment;
- paid training or retaining for workers whose jobs may change as a result of federal grants;
- assurances of employment for private sector workers whose employer is acquired by public transportation systems; and
- assurances of priority re-employment of workers who have been laid off.

These protections are under constant attack across the country. Within the last year, the TWU has had to fight to enforce these rights in states as politically different as California, Florida, Kentucky, New York, and Utah. There is no question that 13c is still essential to transit workers' livelihoods.

*13c ensures workers benefit from changes to employment paradigms*

Where there is a union present, these rights are generally implemented as part of collectively bargained agreements. However, 13c was specifically intended to govern the transitional space between one employment paradigm and another.<sup>1</sup> In the 1960s, these rights were most often applied to private transportation providers being taken over by public entities (a group which, at the time, frequently prohibited collective bargaining). At these times, when an entire workforce is simultaneously changing not only employers but which set of laws govern employment, workers' are at risk of losing all of the standards 13c is designed to preserve. As Senator Wayne Morse (D-OR), the author of 13c, described the intention of this legislation, the federal government "ought to maintain the status quo" for these workers when it becomes involved in transit investments.<sup>2</sup> He was echoed in this belief by Senator Barry Goldwater (R-AZ) who stated "where there are bargaining agreements, pension plans, and the like, already in existence, they should be protected."<sup>3</sup>

A similar set of risks occur when a public entity is privatized. While the specific rights, privileges, and benefits at risk change for each case, it is impossible to move from the public sector into the private sector without changing the dynamics of labor-management relations. By way of example: public sector pensions generally exclude private employers from participating; many public sector workers do not have a right to strike; and, private sector labor rights can often be enforced in federal court whereas public sector labor rights are the purview of state courts. Transitioning into the private sector can cause massive upheaval for workers' retirement, wages, benefits, and work rules. Making matters worse, no other federal law provides protections for workers caught in the limbo between a public and private employer. This is a major reason why privatization is one of the largest threats to public workers' livelihoods.

Preserving collectively bargained gains for workers and avoiding chaotic labor strife are unmitigated goods for our economy. 13c is actually incentivizing investments that better our larger economy over short-term cost cutting measures. If any locality feels strongly that these protections somehow inhibit their ability make transit investments, they are still free to use their own revenue streams without triggering any of these protections. The TWU is unaware of any locality that has opted out of federal funds for a transit project because of 13c even when they have avoided federal support for other reasons. We believe this is clear evidence that the transit worker protections are delivering their promised value to the entire community, not just transit workers.

*13c upskills workers at pace with technological evolution*

The other kind of transition 13c is designed to facilitate is technological. In 1962, New York City introduced a fully autonomous subway train into service [<https://www.nytimes.com/1962/01/05/archives/first-automated-subway-train-starts-run-shuttle-riders-find-trip.html>]. While this service was discontinued in 1964 due to its high costs, the authors of 13c specifically intended their legislation to address federal investments in automation and its potential to displace workers.

There is *nothing* in federal policy that discourages transit agencies from innovating or investing in new technologies. While transit remains extremely underfunded and many agencies choose to delay investments in new kinds of equipment because of budgetary constraints, 13c actually encourages agencies to upskill their workforce to better support new technology in-house. This is a major factor in the pace of adoption for new technologies, which face cultural and practical barriers to implementation in places where workers are unfamiliar with and untrained in it. For the long-term success of new technologies, it is essential that workers can operate and maintain equipment that utilize those technologies. If in-house workers cannot accomplish this, the employer is forced to engage relatively more expensive contractors or eventually stop using the equipment altogether.

Here again 13c is simply encouraging investments in the longer-term health of our transit systems. There is no shortage of contractors selling technology solutions

<sup>1</sup>For a more extensive overview of 13c, see [http://onlinepubs.trb.org/onlinepubs/tcrp/tcrp\\_lrd\\_04.pdf](http://onlinepubs.trb.org/onlinepubs/tcrp/tcrp_lrd_04.pdf)

<sup>2</sup>Congressional Record, Volume 109, 5671 (April 4, 1963): <https://www.congress.gov/88/crecb/1963/04/04/GPO-CRECB-1963-pt5-1-1.pdf>

<sup>3</sup>Ibid. 5672



to transit agencies who face mounting operational and budgetary challenges. The protections in 13c help ensure that when a new technology is adopted, it is ultimately done so in a way that preserves the existing skilled workforce.

The TWU has successfully transitioned between dozens of technologies within our transit systems. In our 88 year history at just the New York subway system, we have changed fare mediums 6 times<sup>4</sup>—a process that involves massive investment of time, money, training, and materials, as well as a shift in applicable skills. The station agents who carried a cash box to a booth to count out tokens have all been replaced with mechanics carrying laptops to diagnose software errors. The TWU supported all of those changes, which were accomplished using federal grants protected by 13c, and we have proactively helped prepare the workforce for the changes they have brought. Similar transitions can be found in all of our systems—whether it be the fare medium, electric buses, positive train control, or any other innovation that has been implemented over the past sixty years. 13c has helped ensure that each of these transitions allowed workers to upskill, maintain their livelihoods, and retire with dignity.

*Case study: Privatizing Transit Service in Nassau County, New York*

The case of the Nassau County (NY) transit system is illustrative of the effectiveness of 13c protections. In 2011, the New York Metropolitan Transportation Authority withdrew its service agreement to provide public transportation in Nassau County beginning the process for the largest privatization of a public transit system in U.S. history. TWU Local 252 and Veolia Transportation (now TransDev, the third-party contractor selected by the county to provide public transportation) had only 90 days to move 900 workers from the public sector into the private sector.

Under normal circumstances, the TWU and management would not have been able to begin negotiations until the National Labor Relations Board certified the union as the representative of the private sector workforce—a process that could not start, by definition, until Veolia began employing people and opened transit service. TWU members who had worked their entire careers under strong union agreements would have suddenly lost their contract and been forced to start from scratch on a new agreement many months after Veolia became their employer. The potential loss of seniority, work schedules, wage rates, etc. would have caused many transit workers to seek other employment or early retirement—an extremely problematic reality for the employer given the short timeline they had to recruit and train 900 certified bus operators, mechanics, and dispatchers. Were it not for 13c, Nassau County would never have been able to make this transition work.

Because of the protective agreements required by 13c, TWU Local 252 and Veolia were able to negotiate a new collective bargaining agreement before the company technically employed any one. The company recognized the union from day one and guaranteed that every worker currently employed in Nassau County transit would keep their job at the new employer under a new union contract. While the abbreviated negotiating process was difficult, the result was a smooth transition for workers and riders into the new paradigm. There is no question that, but for the process allowed for under 13c, there would have been chaos and significant service disruptions caused by a mass exodus of highly skilled workers into other endeavors.

Thank you for your attention to these issues. We look forward to working with you to preserve and extend 13c in the future.

Sincerely,

JOHN SAMUELSEN,  
*International President, Transport Workers Union of America, AFL-CIO.*

<sup>4</sup>Nickels to dimes to all varieties of change to tokens to paper cards to contactless credit card readers



## APPENDIX

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### QUESTIONS FROM HON. ERIC A. “RICK” CRAWFORD TO M.J. MAYNARD, CHIEF EXECUTIVE OFFICER, REGIONAL TRANSPORTATION COMMISSION OF SOUTHERN NEVADA, ON BEHALF OF THE AMERICAN PUBLIC TRANSPORTATION ASSOCIATION

*Question 1.a.* In April, the Federal Transit Administration (FTA) published a Final Rule updating requirements for Public Transportation Agency Safety Plans.<sup>1</sup> In May, APTA formally filed a Petition for Reconsideration of this rule, citing provisions related to the designation of an Accountable Executive and suggesting that the Rule, as published, could lead to delays in the implementation of important safety plans and protocols.<sup>2</sup> What specific concerns does APTA have regarding the Final Rule, as published?

*ANSWER.* APTA has significant concerns with elements of FTA’s PTASP Final Rule. On May 13, APTA filed a Petition for Reconsideration of specific PTASP Final Rule provisions regarding: (1) the prohibition in 49 C.F.R. § 673.19(c)(8) preventing the Accountable Executive of a transit agency from serving in a tiebreaking role as part of Safety Committee dispute resolution procedures under any circumstance; and (2) the removal of an Accountable Executive’s decision-making authority regarding safety risk mitigations in the safety risk reduction program in 49 C.F.R. § 673.23 (d)(1). We believe that these provisions are contrary to the role of the Accountable Executive, who has ultimate responsibility for carrying out the PTASP of a public transit agency.

In its comments to the FTA’s PTASP Notice of Proposed Rulemaking (NPRM), APTA strongly recommended that FTA explicitly identify in § 673.19 that the Accountable Executive is the final decision maker in all matters concerning the Safety Committee, from adopting dispute resolution rules to executing the tie-breaking vote in the event of an impasse in the Committee. This approach is entirely consistent with the definition of Accountable Executive in proposed 49 C.F.R. § 673.5, which states that the Accountable Executive is the “single, identifiable person who has ultimate responsibility for carrying out the Public Transportation Agency Safety Plan of a transit agency. . . .”<sup>3</sup>

APTA’s comments also pointed out that FTA has previously supported this interpretation. In an earlier version of FTA’s PTASP Frequently Asked Questions for the “New Bipartisan Infrastructure Law Requirements, Safety Committees” (Question 10 on FTA’s website), FTA included the following guidance in answer to a question regarding the implementation of Safety Committee recommendations:

Q10: Is our agency required to implement whichever measures the Safety Committee recommends?

A10: No. The Bipartisan Infrastructure Law does not require the agency to implement the risk-based mitigations or strategies recommended by the Safety Committee. *The Accountable Executive, ultimately, must determine whether to implement the risk-based mitigations or strategies recommended by the Safety Committee* (emphasis added).

FTA rejected APTA’s recommendation. Instead of following its previously articulated guidance and providing no warning of a contrary approach in the NPRM, FTA abandoned the guidance altogether and adopted a specific prohibition stating the

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<sup>1</sup>FTA, Public Transportation Safety Plans Final Rule, 89 Fed. Reg. 25694 (April 11, 2024) (PTASP Final Rule).

<sup>2</sup>APTA, *Petition for Reconsideration of Final Rule Submitted by The American Public Transportation Association*, (May 13, 2024), available at [https://www.apta.com/wp-content/uploads/APTA\\_Petition\\_for\\_Reconsideration\\_of\\_PTASP\\_Final\\_Rule\\_05-13-2024.pdf](https://www.apta.com/wp-content/uploads/APTA_Petition_for_Reconsideration_of_PTASP_Final_Rule_05-13-2024.pdf).

<sup>3</sup>See APTA Comments on FTA PTASP NPRM (June 26, 2023) at 3.

“Accountable Executive may not have a tiebreaking role in resolving Safety Committee disputes, because that would be inconsistent with the statutory requirements relating to the roles of Safety Committees.”<sup>4</sup>

However, FTA’s statutory interpretation is inaccurate. The Infrastructure Investment and Jobs Act (IIJA) is silent regarding how Safety Committees resolve disputes. Accordingly, given that the IIJA is silent on this point and no statutory authority was referenced by FTA in its final rule, APTA has challenged the validity of this conclusion as unnecessary and inconsistent with the NPRM. Moreover, FTA did not provide APTA, other stakeholders, or the public the opportunity to comment on this significant revision to decision-making authority.

By promulgating a final rule provision that prohibits the Accountable Executive from being a designated tiebreaker, FTA has severely limited the transit agency’s ability to enact policies and procedures unique to its operating environment.

In addition, APTA is concerned that FTA failed to adequately account for the additional cost burdens on transit agencies to implement these new PTASP requirements. Last, APTA requested that FTA reconsider the implementation timeframe for the final rule’s provisions and extend it by one year to May 13, 2025.

*Question 1.b.* Please describe how FTA has sought to address those concerns, if at all.

*ANSWER.* FTA has not yet responded to APTA’s Petition for Reconsideration.

**QUESTIONS FROM HON. GREG STANTON TO M.J. MAYNARD, CHIEF EXECUTIVE OFFICER, REGIONAL TRANSPORTATION COMMISSION OF SOUTHERN NEVADA, ON BEHALF OF THE AMERICAN PUBLIC TRANSPORTATION ASSOCIATION**

*Question 1.* In Arizona, \$16 billion in public and private investment has been made along our light rail, supporting 35,000 jobs. In January, Valley Metro opened service for the Northwest Extension Phase II light rail project—a year ahead of schedule and under budget . . . connecting a Native Health Center, a City Park/Sport Complex, and ending at what will soon be a redeveloped center that will feature multifamily housing, restaurants, retail space, and an amphitheater park. The Tempe Streetcar in my district has served more than 800,000 passengers since its opening in May of 2022. It has exceeded the ridership goal by more than double the original estimate of 330,000. When done correctly, public transit can be transformational. We need to be thoughtful about re-tooling our services with lessons after the pandemic.

Ms. Maynard: As you know, one trend we have noticed since the pandemic is a shift in peak ridership—from normal commuter times to evenings, nights, and weekends.

Both in your capacity overseeing the Regional Transportation Commission (RTC) of Southern Nevada, and in your work with the American Public Transportation Association (APTA): what have members of these organizations found most useful in retooling their service to better accommodate riders at times beyond the old standard commute-driven peaks?

*ANSWER.* At the Regional Transportation Commission of Southern Nevada (RTC), we are constantly retooling and refining our services to better accommodate rides beyond the typical commute times. The strategy we have found most effective to cater to our region’s nontraditional commutes has been to enhance transit efficiency and responsiveness by optimizing the times our routes are offered and increasing the frequency of our service.

To accommodate nontraditional commutes, we have optimized all of our routes to operate daily, including holidays. Specifically, one-third of our transit routes operate continuously while the remaining two-thirds run for 20 to 22 hours each day. This strategic optimization ensures we remain dedicated to supporting Southern Nevada’s tourist-driven economy by providing essential transit services 24 hours a day and 7 days a week.

The RTC has maintained a high frequency of rides throughout both weekdays and weekends to meet our community’s needs. Unlike many other regions across the United States, we do not experience a concentrated rush of service hours in the morning and late afternoon. Instead, we have operated on a consistent frequency throughout daytime hours ensuring reliable and consistent service levels across all

<sup>4</sup>FTA, Public Transportation Safety Plans Final Rule, 89 Fed. Reg. 25694, 25696 (April 11, 2024).

days. Additionally, on Saturdays, our operations see only a 6% reduction in trips compared to weekdays, while Sundays experience just a 15% reduction.

Similarly, APTA member agencies navigated the changes in ridership patterns by adapting services to different needs, including aligning service patterns, investing in innovative projects to draw and accommodate ridership, and improving capital planning. In addition, public transit agencies have developed new solution-oriented service models to address specific community needs: people living in areas currently underserved by transit, individuals who require wheelchair access, and riders who commute during off-peak, late-night hours. On-demand ride-sharing services, vans and shuttle buses, and other micro-mobility options (e.g., bikes, scooters) provide customers the access and flexibility they need to connect to transit or their final destinations, reduce commute times, and decrease reliance on personal cars.

As a result of these service changes, nationwide transit riders took 7.1 billion trips in 2023—an average of 24 million trips each day.

*Question 2.* Las Vegas, like Arizona, is a quickly growing area and we need our transit to keep up. Ms. Maynard: How are you meeting this challenge in your region? And how are other members of APTA reacting to changing population trends?

*ANSWER.* It has undoubtedly been a challenge for the RTC to keep up with Southern Nevada's rapidly growing population of 2.3 million residents and the over 40 million annual visitors. We have responded to this challenge by focusing on being resourceful, applying innovative solutions, and working with our elected officials to help secure additional funding.

The RTC has addressed population growth challenges by maintaining a focus on efficiency and being resourceful with our limited resources. We have built one of the most efficient transit systems in the country, which is also the 14th busiest bus system in the U.S. with an average of 153,000 weekday boardings. We also have the highest farebox recovery ratio, the lowest public subsidy, and rank third nationwide for the lowest operating costs.

Additionally, we have concentrated our efforts on innovative solutions that enhance accessibility, expand our services, and improve connectivity for our growing population. For instance, in 2021, we launched OnDemand microtransit. This service enables anyone within the designated service zone to schedule a pickup and be transported to an existing bus stop, where they can transfer onto a fixed route and continue to their destination. This initiative increased the cost-effectiveness of our services, improved connectivity in underserved areas like Enterprise and Southern Highlands, and extended our service to regions such as West Henderson. And in FY 2024, we completed more than 102,118 microtransit trips and 3,539 paratransit trips through this microtransit service. This approach enhances access to essential services and underscores our commitment to meeting Southern Nevada's evolving transportation needs.

The RTC is also dedicated to collaborating with our elected and community leaders to identify potential funding solutions for Southern Nevada's growing population. This includes working with our elected officials and our community to explore funding alternatives for our current and long-term goals.

APTA members across the nation have adapted their services to meet growing demand and community needs, including aligning service patterns, providing new solution-oriented service models (e.g., on demand service), and investing in innovative projects to better serve their ridership. Such innovative projects include launching integrated fare payment systems, creating a real-time digital survey app for immediate customer feedback to improve service, and connecting to state social service databases to drive and simplify automatic enrollment into low-income fare programs. APTA members are also actively engaged in transit-oriented development (TOD) planning efforts to support community access to public transportation and to lay the groundwork for affordable housing. Meeting housing demand needs in places with public transit access enables agencies to provide more efficient service.

Moreover, the business community knows how important public transportation is for its employees—that is why so many businesses want to be located near public transportation and are actively engaged in partnerships with their local public transit systems. For example, Amazon's decision to locate its new HQ2 in Arlington, Virginia, was in part influenced by the variety of public transportation options located in the area.

*Question 3.* One of the best tools to invest in transit is the Capital Investment Grants Program. The program is a true partnership between the Federal government and local communities, with local funding covering as much as 60 percent of the project. Valley Metro in my state has made great use of the program in recent years and it's one of the reasons the Northwest Extension Phase II was so success-

ful. Ms. Maynard, why is this program so important for APTA, and why is it important to keep investing in transit through the CIG?

**ANSWER.** Public transit investment helps communities begin to address the demand for more mobility choices. CIG funding provides critical investments for new and expanded subways, light rail, commuter rail, streetcars, and bus rapid transit (BRT), among others. Over the past 15 years, 28 States have received CIG construction grant agreements or are in the current pipeline—from BRT projects in Minnesota, Nevada, and Pennsylvania; to commuter rail projects in Texas and Indiana; and heavy and light rail projects in Arizona, California, New York, and Utah. Public transportation projects that are funded through the CIG program are an essential component of addressing the mobility demands of growing communities. Today, 65 projects across the nation are seeking almost \$44.5 billion of CIG funding in FY 2025 and subsequent years.<sup>5</sup>

For example, the RTC's Maryland Parkway BRT will transform the 13-mile corridor for the benefit of everyone in the region. Home to 90,000 residents, 85,000 jobs, and 9,000 daily transit riders, the Maryland Parkway BRT will connect residents to jobs, education, medical services, shopping, and neighborhood services. FTA's \$150 million investment will ensure Southern Nevada residents and visitors have better mobility options while traveling to Harry Reid International Airport, the University of Nevada, Las Vegas (UNLV), Sunrise Hospital, and other important areas of the city. In addition, buses, bikes, cars, and pedestrians will all experience safer conditions thanks to wider sidewalks, enhanced transit shelters, improved lighting, and better roadways.

**QUESTION FROM HON. HENRY C. "HANK" JOHNSON, JR. TO M.J. MAYNARD, CHIEF EXECUTIVE OFFICER, REGIONAL TRANSPORTATION COMMISSION OF SOUTHERN NEVADA, ON BEHALF OF THE AMERICAN PUBLIC TRANSPORTATION ASSOCIATION**

*Question 1.* This committee has provided substantial funding to transit in recent years, both through the COVID relief packages and through the record investment in the BIL.

Should Congress continue to provide significant investment in public transportation in the next reauthorization, and what would be the benefits in doing so?

**ANSWER.** Yes, Congress should continue to provide significant investment in public transportation in the next surface transportation reauthorization act. Investments in public transportation will help communities of all sizes flourish—connecting workers to jobs, students to school, and people to healthcare. Accessible, affordable public transportation helps families, students, and workers save money and grows our economy.

In addition, with a state-of-good-repair backlog of more than \$101 billion and growing, support from all levels of government is sorely needed. Today, most agencies are operating buses and railcars beyond their useful lives.<sup>6</sup> Of the 119,000 transit buses and vans, almost one in six are not in a state of good repair. For rail transit vehicles, the average fleet age is 24 years.<sup>7</sup>

The Infrastructure Investment and Jobs Act provides \$108.2 billion for public transit over five years (FY 2022 through FY 2026).

Transit agencies across the country are using these funds to work toward a state of good repair, provide economic opportunities to their communities, and drive innovation and clean technology. For example:

- The Northern Indiana Commuter Transportation District added 26 miles to double track its South Shore Line. It eliminates 13 grade crossings, adds 14 new weekday trains, and cuts the travel to Chicago by 30 minutes. The project, awarded a construction grant agreement in 2021, was completed on time and under budget and opened in May.
- Valley Metro also completed its 2021 Northwest Extension Phase II light rail project ahead of schedule and under budget. The project connects the West Valley to downtown Phoenix and neighboring communities and is already averaging 50,000 riders per month since opening in January 2024. Phoenix is now

<sup>5</sup> APTA's Capital Investment Grant Project Pipeline Dashboard [<https://www.apta.com/wp-content/uploads/APTA-CIG-Project-Pipeline-Dashboard-07-12-2024.pdf>] (July 12, 2024).

<sup>6</sup> See, U.S. Department of Transportation, Federal Highway Administration and Federal Transit Administration, Status of the Nation's Highways, Bridges, and Transit: Conditions & Performance Report to Congress, 25th Edition [[https://www.fhwa.dot.gov/policy/25cpr/pdf/CP25\\_Full\\_Report.pdf](https://www.fhwa.dot.gov/policy/25cpr/pdf/CP25_Full_Report.pdf)] (2024), at page ES-13.

<sup>7</sup> *Id.*

working on redeveloping its new terminus—a former mall—into multi-family housing, hotels, restaurants, and new retail space.

- Skagit Transit, in a small Washington State community, is moving its operations facility, currently located in a 100-year floodplain, to a new facility with clean energy infrastructure that will enable a transition to a zero-emission fleet. In addition, the facility will help Skagit Transit, as a partner in county emergency preparedness operations, support community resiliency during emergency events.

Each \$1 invested in public transportation generates \$5 in long-term economic returns. Every \$1 billion invested in public transportation creates or sustains nearly 50,000 jobs across the entire economy, including in non-transit industries. Investment in public transportation creates jobs in communities of all sizes throughout the country, including in smaller urban and rural areas where buses, railcars, and their parts are often manufactured. Moreover, more than \$42 billion, or almost 60 percent, of public transit investment flows directly to the private sector—a 65 percent increase since 2000.

Continued investment in public transportation is an investment in our nation's economic recovery and future.

**QUESTION FROM HON. GREG STANTON TO LAURA HENDRICKS, CHIEF EXECUTIVE OFFICER, TRANSDEV U.S., ON BEHALF OF THE NORTH AMERICAN TRANSIT ALLIANCE**

*Question 1.* Ms. Hendricks: I understand that Transdev has partnered with the city of Phoenix to deliver fixed route service for the past 55 years. What has been your biggest challenge post COVID and how have you addressed it?

*ANSWER.* We, like other transit providers worldwide, struggled with hiring and staffing post pandemic. At Transdev's city of Phoenix contract, we hired 300 new people in 2023 and became fully staffed through a wide variety of innovative recruiting tactics to bring new people into careers in transit. We have a wonderful partnership with the city of Phoenix and were able to address the issue collaboratively. For example, our partnership with the Opportunities Industrialization Center (OIC) in Phoenix allows us to hire and train people to bring them into the workforce. Dr. Gene Blue and his team at OIC help disadvantaged youth, homeless people, Veterans and more to re-enter the workforce. We have also partnered with other organizations to help give "a hand up" as they call it, to people in the community needing access to opportunities. We have also created innovative partnerships with local colleges and technical programs to create apprenticeship and internship opportunities to upskill and invest in a transit workforce.

**QUESTIONS FROM HON. ERIC A. "RICK" CRAWFORD TO MARC SCRIBNER, SENIOR TRANSPORTATION POLICY ANALYST, REASON FOUNDATION**

*Question 1.* Your testimony referenced Section 13(c) of the Urban Mass Transportation Act of 1964.<sup>1</sup> Can you please provide more context on how Section 13(c) requirements may make it harder for transit agencies to improve overall system productivity?

*ANSWER.* Typical Section 13(c) agreements include provisions that greatly constrain transit agency management in any decision involving employees. For all of these provisions, it is important to keep in mind that the overarching goal of Section 13(c) is to preserve the status quo.

First, agreements generally require agencies to notify employee unions 60 to 90 days prior to any contemplated agency action that would alter the agency workforce as a result of a federally assisted project. Once notice has been given, agencies and unions must agree to implementing terms that apply Section 13(c) requirements to the proposed agency action. This can be a barrier to implementing any operational or service changes that impact the agency workforce.

Second, contracting out service is greatly constrained. Many Section 13(c) agreements include explicit language requiring the transit agency to be the "sole provider" of transit service. The "sole provider" clause is included as part of the stand-

<sup>1</sup>*Revenue, Ridership, and Post-Pandemic Lessons in Public Transit: Hearing Before the Subcomm. on Highways and Transit of the H. Comm. on Transp. and Infrastructure*, 118th Cong. (June 13, 2024) (statement of Mr. Marc Scribner).

ard Section 13(c) Model Agreement at Paragraph 23. Generally, these restrictions are strongest when applied to contracting-out existing service that had not been previously subcontracted, but some arbitrators have interpreted “sole provider” provisions to prohibit the subcontracting of new service as well.

Third, “carryover rights” clauses often contained in Section 13(c) agreement, which nominally require a new contractor to hire the employees of the former provider, generate sizeable uncertainty for agencies. The scope of these protections is unclear, but litigation is likely to arise if an agency attempts to contract-out service it had directly provided as the sole provider.

Finally, successor clauses contained in Section 13(c) agreements tend to require any future contractors to assume obligations that had previously been agreed on by the transit agency or a preceding contractor. This greatly limits the ability of new contractors to introduce productivity-enhancing operational and service changes that impact the workforce.

*Question 2.a.* Mr. Regan’s written testimony contends that the Government Accountability Office (GAO) has found that existing transit labor law, such as Section 13(c), has not delayed the implementation of new technologies, increased costs, or made it harder to improve operational efficiencies.<sup>2</sup> Is this your interpretation of GAO’s findings?

*ANSWER.* Mr. Regan is mistaken on both the scope and conclusions of the November 2001 GAO report, which was based on a survey of transit agency activities between October 1995 and September 2000. First, the underlying GAO survey did not contemplate automation technologies designed to perform core operating functions. As responses to Survey Question 25 contained in Appendix I of GAO’s report show, only the following technologies were considered: automatic passenger counter, electronic fare collection system, computerized or internet traveler information system, computer assisted dispatching and scheduling system, Global Positioning System (e.g., automatic vehicle location system), automated demand response dispatching (on-board equipment), articulated buses, advanced technology buses (e.g., low floor, low emission buses), bus rapid transit system (e.g., dedicated lanes, automatic guidance system), on board electronic security monitoring.

Noticeably absent from this list is any technology resembling the transit vehicle automation systems that I discussed in my testimony. This is likely due to the fact that three decades ago, fully automated trains now commonly deployed globally were not yet a mature technology. Today, there is a thriving global market for transit automation systems from numerous experienced vendors and contractors.

Second, while GAO’s report concluded that “Section 13(c) had a minimal impact on most areas of transit operations we identified,” it also found that contracting-out was the major exception to this general conclusion. As responses to Survey Question 22 contained in Appendix I of GAO’s report show, 46.5% of transit agencies reported that “Section 13(c) has made it much more difficult to contract out” (18.3%) or “Section 13(c) has made it somewhat more difficult to contract out” (28.2%) “fixed-route transportation or fixed-route transportation-related services” during the survey period. “In addition,” as GAO concluded, “some transit industry officials reported that although provisions of Section 13(c) arrangements may directly limit contracting out for services, more often agencies are discouraged from contracting out because of their perception that such action will cause problems, such as Section 13(c) claims or delays in the receipt of grants.”

*Question 2.b.* How have available technologies developed in the years since the last GAO review of Section 13(c) or other Federal transit labor provisions?

*ANSWER.* Fully driverless trains at Grade of Automation Level 4 (GoA4) are now standard on new rail transit lines worldwide. While the United States currently has a single GoA4 light-rail system in Honolulu, many cities around the world have deployed GoA4 light- and heavy-rail operations since 2000, including: Sydney, Australia; Sao Paulo, Brazil; Vancouver, Canada (Millennium and Canada Line expansions); Santiago, Chile; Beijing, Chengdu, Fuzhou, Jinan, Nanjing, Nanning, Ningbo, Shanghai, Shaoxing, Shenzhen, Suzhou, Taiyuan, Tianjin, Wuhan, Wuhu, Xi’an, and Zhengzhou, China; Copenhagen, Denmark; Lyon (Line B expansion), Paris (Lines 1 and 4 expansions), Rennes, and Toulouse (Line B expansion), France; Nuremberg, Germany; Hong Kong; Budapest, Hungary; Delhi, Mumbai, and Navi Mumbai, India; Jakarta, Indonesia; Brescia, Milan, Rome, and Turin, Italy; Nagoya and Tokyo, Japan; Macau; Kuala Lumpur, Malaysia; Lahore, Pakistan; Lima, Peru; Doha, Qatar; Singapore; Barcelona, Spain; Busan, Incheon, and Seoul, South Korea;

<sup>2</sup> *Revenue, Ridership, and Post-Pandemic Lessons in Public Transit: Hearing Before the Subcomm. on Highways and Transit of the H. Comm. on Transp. and Infrastructure*, 118th Cong. (June 13, 2024) (written testimony of Mr. Greg Regan).



Lausanne, Switzerland; Taichung and Taipei (Circular Line expansion), Taiwan; Bangkok, Thailand; Istanbul, Turkey; and Dubai, United Arab Emirates. Dozens of additional fully automated rail lines are currently in the planning or construction stages globally.

*Question 3.a.* Based on your analysis, will ridership on our Nation’s transit system recover to pre-pandemic levels?

*ANSWER.* The general consensus in the transportation research community is that nationwide transit ridership is unlikely to recover its pre-pandemic ridership within the next decade. Beyond 2035, forecasts are extremely difficult, but transit faces strong headwinds that call into question the ability of transit ridership to ever recover to its 2019 levels. Long-term demographic changes and economic growth are expected to reduce the size of the workforce and increase household wealth in the coming decades, two trends that bode poorly for transit’s future in the United States.

*Question 3.b.* If not, what factors should transit agencies consider when making decisions related to how to attract riders?

*ANSWER.* Given transit’s ever-diminishing niche in United States passenger transportation, policymakers and transit agencies should seek to dramatically reduce construction and operating costs. Operations should be reoriented to serve transit-dependent riders who cannot afford private transportation and agencies’ costly efforts to convert affluent residents who can afford private transportation should be curtailed.

It is important to understand that inefficient capital and operating expenditures represent an opportunity cost: forgone enhanced transit service that would be possible under more efficient resource allocations. As a result, inefficient transit expenditures have a significant negative impact on transportation equity by denying better service to transit-dependent riders—and thereby denying them improved access to employment and social opportunities.

Further, bus transit, with its significantly lower capital costs and greater flexibility, should be preferred over costly rail transit. Bus routes can be cheaply and rapidly changed as conditions change, and competitive contracting is easier to implement for transit bus operations. Agencies should also examine emerging alternative services such as microtransit and technologies such as automation that can better serve their remaining customers and lower costs.

Finally, policymakers and transit agencies should examine alternatives to traditional transit agency subsidies, such as mode-neutral transportation vouchers that can be issued directly to transit-dependent riders. Transportation vouchers would give those riders the opportunity to choose the travel options that work best for them while encouraging transit agencies to compete for those dollars with better service.

#### QUESTIONS FROM HON. HENRY C. “HANK” JOHNSON, JR. TO GREG REGAN, PRESIDENT, TRANSPORTATION TRADES DEPARTMENT, AFL–CIO

*Question 1.* In your testimony, you emphasized the need for flexible funding to support the daily operation of transit systems. The Stronger Communities through Better Transit Act establishes a grant program in line with your priorities to support operating projects for public transportation, particularly in underserved communities and areas of persistent poverty.

In your experience, can the Stronger Communities through Better Transit Act address the challenges you highlighted in your testimony regarding the need for flexible funding to support the daily operations of transit systems?

*ANSWER.* Yes, the Act provides more flexibility to transit agencies by addressing the historical emphasis on capital investments over operational funding. Here’s how it achieves this:

##### 1. *Dedicated Operating Expense Funding*

- The bill authorizes \$20 billion per year for four years specifically for public transportation operating expenses.
- This funding is intended to supplement existing state, local, and farebox revenue, supporting services beyond what is currently provided.

## 2. *Flexibility in Usage*

- Transit agencies are not restricted in how they allocate the funding for operating expenses, as long as the projects improve transportation service and increase transit ridership.
- Agencies can prioritize operational needs such as hiring personnel, increasing service frequency, or expanding service areas, rather than being limited to capital investments.

## 3. *Support for Rural Transit Agencies*

- The bill increases the federal share of operating costs for rural transit agencies to 80%, aligning it with the federal share for capital projects.
- This reduces the burden on local funding sources, providing greater flexibility in resource allocation.

The Act aims to shift the focus from a capital investment-centric approach to one that acknowledges the critical role of operational funding in maintaining and improving public transit services. By providing a dedicated funding stream for operations and increasing the federal share for rural agencies, the bill empowers transit agencies to make decisions that best serve their communities.

*Question 2.* In your testimony, you discussed the importance of maintaining strong labor protections for transit workers. As a member of the Labor Caucus, I deeply appreciate the pivotal roles transit workers play in ensuring millions of Americans reach their workplaces, schools, medical appointments, and other essential destinations daily. The Stronger Communities Through Better Transit Act includes provisions to safeguard your jobs by allocating funding for workforce development and maintaining the current workforce.

Can you provide examples of how these protections would positively impact the transit workforce and operations?

*ANSWER.* The Stronger Communities Through Better Transit Act addresses the chronic underinvestment in the transit workforce by increasing funding for transit operations and explicitly supporting workforce development.

### *Challenges Facing the Transit Workforce*

The current funding structure prioritizes physical capital, such as building and maintaining infrastructure, over human capital, including the workforce responsible for operating and maintaining that infrastructure. This imbalance has led to several key challenges:

- *Skills Crisis*
  - The aging transit workforce and rapid technological advancements require significant investment in training to maintain and enhance critical skills.
  - Underfunding has created a skills gap, making it difficult for transit agencies to attract and retain qualified workers.
- *High Turnover*
  - Inadequate training and low wages contribute to high turnover rates, especially among bus drivers.
  - This instability disrupts operations and negatively impacts the quality of service for riders.
- *Lack of Diversity*
  - Insufficient investment in training limits opportunities for underrepresented groups to access well-paying transit jobs.
  - This perpetuates a lack of diversity within the transit workforce.

### *Solutions Offered by the Act*

The Stronger Communities Through Better Transit Act provides transit agencies with the resources to overcome these challenges by:

- *Offering Competitive Wages and Benefits*
  - Increased funding for operations enables agencies to offer more competitive wages and benefits, making transit jobs more attractive and reducing turnover.
- *Investing in Workforce Development*
  - The Act includes explicit provisions for workforce development, such as supporting apprenticeship programs and providing enhanced training opportunities.
  - This ensures that existing workers can upgrade their skills and new talent can enter the field.

### *Expected Benefits*

By addressing underinvestment in human capital, the Stronger Communities Through Better Transit Act aims to:

- Build a *stable, skilled, and diverse workforce*, leading to improved service quality, safety, and efficiency.
- Attract and retain qualified personnel by offering *competitive compensation and career development opportunities*.
- Promote *equity and inclusion* by creating pathways for underrepresented groups to access well-paying transit jobs.

These initiatives will strengthen the public transportation system, benefiting millions of Americans who rely on it daily.

