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Press Release

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IMMEDIATE

### Coalition of Nation's Largest Transit Agencies and Labor Leaders Call on Congress to Deliver Robust Federal Aid for Transportation in Next Coronavirus Relief Package

#### *MTA, NJ TRANSIT, SEPTA, BART, MARTA, TWU, ATU, TTD Demand Urgent Action from Federal Government to Fund Mass Transit – The Lifeblood of the National Economy*

***MTA Chairman Pat Foye: "We have kept the essential workers on the frontlines moving during this crisis, and we will move people across this country who depend on public transportation in order to support economic recovery following the pandemic."***

The New York Metropolitan Transportation Authority (MTA), today rallied together with NJ TRANSIT, Southeastern Pennsylvania Transportation Authority (SEPTA), San Francisco Bay Area Rapid Transit (BART), and Metropolitan Atlanta Rapid Transit Authority (MARTA), and the nation's largest transportation unions, the Transport Workers Union (TWU), Amalgamated Transit Union (ATU), and the Transportation Trades Department (TTD) of the AFL-CIO to call on Congress to deliver urgent and robust federal aid in the next coronavirus relief package.

The demand follows a May 8 letter to Congressional leaders demanding federal funding from 15 public transit agencies that move more than 20 million Americans every day and serve regions generating 35% of the nation's Gross Domestic Product. The MTA has requested \$3.9 billion in additional Federal aid amid precipitous declines to fare revenue and local, state and regional taxes that support the MTA. A report by McKinsey & Company projected a gross loss to the MTA of approximately \$3.9-4.9 billion in revenue from fares in 2020, representing an approximately 60-75% reduction from the \$6.5 billion farebox revenue estimated in the February 2020 Plan. The report also forecast sizable losses of \$1.6 - \$1.8 billion in state and local taxes dedicated to the MTA in 2020.

The MTA has taken the unprecedented step of closing the New York City Subway overnight for the first time in 115 years to undertake the most aggressive cleaning and disinfecting program in agency history. The MTA continues to move the essential workers on the frontlines of the pandemic saving lives. Through the MTA Essential Plan Night Service, overnight bus service has been dramatically enhanced and we have created the 'Essential Connector' program offering one free trip per night on a for-hire vehicle to eligible essential workers. The MTA has worked to ensure the safety and security of its entire workforce, taking robust, unprecedented steps, including distributing 1.6 million masks and 4 million pairs of gloves, launching a 'Temperature Brigade' to take temperatures of employees as they arrive for duty, and installing plexiglass barriers at work locations and offering covid-19 testing and antibody testing for employees.

*A transcript of the press conference follows.*

**Patrick J. Foye, Chairman and CEO of New York Metropolitan Transportation Authority (MTA):** Thank you for joining us this afternoon. I'm Pat Foye, Chairman and CEO of the Metropolitan Transportation Authority. I'm joined today by transportation colleagues across the country: John Samuelsen, President of TWU International; Jeffrey Parker, CEO of the Metropolitan Atlanta Rapid Transit Authority; Bob Powers, General Manager of San Francisco Bay Area Rapid Transit; John Costa, International President of the ATU; Kevin Corbett, the President and CEO of New Jersey Transit; Larry Willis, President of the Transportation Trades Department; And Leslie S. Richards, General Manager of the Southeastern Pennsylvania Transportation Authority, SEPTA.

We're here today representing some of the largest public transportation agencies across the country joining with our brothers and sisters in the labor movement to call on the federal government to deliver additional robust federal aid in the next coronavirus relief package. Specifically, here in New York at MTA, we're calling on Congress to provide additional funding to the MTA of \$3.9 billion, in addition to the funding received from the CARES act, just to cover the COVID-19 related operating deficit at the MTA in 2020, and a total of \$10.4 billion to cover the projected revenue declines deficits in both 2020 and 2021. Those deficits are caused by precipitous revenue declines resulting from falling ridership and dramatically lower tax payments.

The federal government must recognize the ongoing emergency and the vital role of transit and infrastructures as economic drivers, but also as agencies that transport first responders and essential workers during the pandemic. I want to be clear, this is a national disaster that requires a continued national response. The ongoing impacts of the pandemic are outpacing the historic levels of support previously included in the CARES act. We need additional, all of us-- all of our agencies, need additional funding streams distributed not by the same old formulas, but based on needs stemming from this unprecedented health crisis.

Our request has garnered substantial bipartisan support as it did in the first round. This is not a red or blue state issue, it's a no brainer. The COVID-19 pandemic has made clear the importance of public transportation, during the pandemic and as part of the economic recovery when the pandemic subsides. Our workforces, and our brothers and sisters in labor are the heroes moving the other heroes of this crisis, ensuring that other essential

workers and first responders such as doctors, nurses, pharmacists, grocers, food delivery workers, utility workers, and workers can do their jobs and save lives, and their sacrifices our workers have made are unimaginable.

At the MTA in New York City in New York State, the epicenter of the pandemic, more than 100 heroes at the MTA have tragically lost their lives. New York and the nation forever owes them a great debt of gratitude and there is nothing that ever can make up for these losses. We mourn and grieve with the families of each of them. At the same time, we can honor their legacy by investing in the systems they dedicated their lives to. Ridership at the MTA continues to plummet along with the loss of dedicated taxes and subsidies that support our operations right now.

Our costs also continue to rise with the new normal of 24/7 cleaning and disinfecting. The MTA commissioned the study by McKinsey and Company, which projects the full impact on the MTA to be between 7 and 8.5 billion dollars for 2020 alone, dwarfing our initial estimates which were made before Governor Cuomo put New York State on PAUSE. The nearly \$4 billion in emergency funding directed to the MTA in the CARES act is not nearly enough, not even just for 2020. In addition, the cost of borrowing for agencies such as the MTA is significantly higher than it was a few months ago, making it more difficult and more expensive for us to borrow money to survive this crisis. And we still need to refinance existing debt in the meantime, we want to continue to rely on self-help, but we need substantial additional federal support as a bridge. We cannot rely on drawing funds from our capital budget to get through this crisis.

History has proven that deferring critical maintenance and capital project is terrible for our systems in the long term, and in New York we refuse to return the MTA to the MTA of the 1970s and 1980s. The \$25 billion included in the first round of the CARES act has started flowing and has been critical to continuing service during this crisis. However, it would slow and impede post-pandemic recovery, were our agencies not to receive the amounts that we've requested. Anything less would be a disservice to the essential workers who have relied on mass transit during this crisis, and the American people who rely on public transportation to get them from home to work to school, and to carry us all through this crisis and propel our local economies forward. Thanks for your attention. I'll now turn the virtual microphone to John Samuelsen, International President of the TWU, John.

**John Samuelsen, President, Transport Workers Union (TWU) International:** Thank you, good afternoon everybody. Pat kind of covered a whole lot of talking points right there, nationally, I'm sure most of what everybody's going to say is kind of encapsulated by his comments. But certainly the crisis has brought into extreme clarity, the national significance of public transit. It's also brought into extreme clarity that public transit is the circulatory system of the fight back against COVID-19, absolutely, for sure, just get in the transit system in any given city and you'll see blue collar Americans going to fight this COVID-19 on the frontlines every day being delivered by transit workers.

So \$32 billion is not a significant ask, it seems like a significant number but it's certainly not a significant ask to bailout public transit systems across the country, to stand up for the blue-collar Americans that use this system to get to work every day and to stand up for the blue-collar heroes that are the transit workers city by city, across this country.

Certainly, the US government has bailed out Wall Street in the midst of many crises, they bailed out major corporations, profiteering corporations in the midst of many crises, and they can step up right now in bailout public transit and recognize it for the nationally important role that we play every day in both, again, the response to this pandemic, and in the post pandemic economic recovery. So thank you very much and I'm going to turn it over to Jeffrey Parker from MARTA.

**Jeffrey Parker, General Manager and CEO, Metropolitan Atlanta Rapid Transit Authority (MARTA):** Thanks, John. You know, I appreciate being able to have the opportunity to talk to with this group of my colleagues. And I really want to make sure that I that I thank and point out the hard work that the unionized workforce, who have been moving people throughout this country here in Atlanta, and I'm so glad that we have members of union leadership here with us today.

You know each of our transit agencies have different challenges in front of us. We heard some staggering numbers from our friends in New York, and we'll hear some more staggering numbers, and whether it's a large transit agency on the west coast or east coast, or a smaller transit agency in Middle America, we're all going to face significant challenges going forward. And, you know, while it's all going to be different, different story, we all have different ways that we're funded, whether it's sales tax or property tax, transit has a whole variety of ways that were funded.

We are, as was said, a critical component to the economic vitality of the regions that we serve. Atlanta, Metro-Atlanta, is one of the fastest growing regions in the country right now. We've had a significant decline in our rail ridership, only about a 30-40% decline in our bus ridership, and we're working hard and the unionized workforce is working hard to move these important workers to hospitals and throughout the city. So we recognize that we are clearly part of the economic development and making sure that we can recover, keep our region's moving, and with that, we've got to recognize that that we will have impacts going in the future. So with that, I'd like to thank the group and turn it over to my friend and colleague Bob Powers, the General Manager of BART in San Francisco, Bob.

**Bob Powers, General Manager, San Francisco Bay Area Rapid Transit (BART):** Thanks, Jeff. So, I'm Bob Powers, I am the General Manager at the San Francisco Bay Area Rapid Transit System better known as BART. So, the Bay Area helps drive the fifth largest economy of the world, the fifth one Just the economy in the world--that's impressive. It's innovative, it's diversified and it's a powerhouse that's going to lead the way to a revival. Here in the Bay Area our public transportation system has been brought to its knees by COVID-19. Our ridership is about 7% of what it was just three months ago and it means that our budget is deep in the red. BART is facing approximately \$600 million in budget deficits when I combine the current year and the next fiscal year, \$600 million, and unfortunately ridership is not going to pay those bills. BART isn't accustomed to outside help but now we must have it.

We are profoundly grateful for the leadership of Congress and Speaker Pelosi for prioritizing transit in the first CARES act, it gave us what we needed to keep the system, to keep our doors open, and to provide ridership and transit for essential workers and to avoid layoffs. But for the economy to recover BART, and public transport in general, must be there and we can't afford to be reactive, not BART, or any other transit agency. We must be up and fully functioning to deliver and for BART, that's three musts: we must keep our greatest assets, that's our employees, healthy and safe.

We must operate a thoroughly clean and disinfected transit system and we must put out frequent service. BART and public transportation must be the first choice to avoid gridlock that would slow economic recovery. A recent survey predicts that if too many people opt out of transit for their cars instead of transit, commute times with double, would more than double in San Francisco Bay Area, and that's the highest increase throughout the US. We've made great strides to get folks out of their cars and into transit, we can't trigger deep cuts that is going to going to unravel our ability to move people.

Two last things I'd like to end on: an investment in transit is an investment in the economy, it's an investment in people, it's an investment in jobs and its investment in the environment. We are hopeful that Congress will include transit in the next CARES act funding package and look forward to this discussion. So I'd like now to introduce John Costa, who is the International President of the Amalgamated Transit Union. BART train operators and station agents are represented by ATU 1555. John.

**John Costa, International President of the Amalgamated Transit Union (ATU):** Thank you, Bob, hello everybody. Normally, we're on the other side of the trench on many of these issues but this one we're on the same page. If we're going to keep our cities and our economy going, we're going to need more money. The money that we have now has stopped the overcrowding, has kept the riding public safer, and our operators and our employees and our members safer, but it's not enough.

If we're going to reopen we're going to need more money, we're going to need the riders to feel safe to come back on board and that's going to take my members feeling safe to move the equipment, John's members to move the equipment; if we're not feeling safe, I don't think the riding public will be there.

So thank you Congress for the first CARES act but we need a lot more, the agencies cannot sustain this. The fare boxes are gone, the sales taxes is done, we shut down. As we open, we're going to need the money and if we don't get the money, the cities will not come back, the economy won't come back, it'll be all over with, pretty simple. Thank you everybody, and with that I'd like to introduce the President and CEO of the agency I come from the great in New Jersey, New Jersey Transit, Kevin Corbett.

**Kevin Corbett, President & CEO of NJ TRANSIT:** Thank you very much. All right, John, I was going say nice things about you, John is certainly one of our own, having originally served coming up through ATU Local 819 and then serve as our State Council Chair here. Certainly John a lot of praise goes to the ATU obviously working close with, with Ray and the rest of the team. But we have seen here in that recovery, everything working with union to help get up when it was really short in the beginning, things like that, that were really very helpful and show that there's a good teamwork that we have with the ATU and our other unions, it's certainly a source of pride for New Jersey Transit to have John as the head of the international.

I'd like to thank all colleagues across the country, along with labor leaders for coming together to address what Pat said is an existential threat to public transportation. I would also like to highlight that how real this is about frontline employees, as well throughout the organization: we have had nine members of New Jersey Transit family have lost their lives to this invisible enemy and we certainly are extremely grateful for their service. And I'd to thank all of the nearly 12,000 employees at NJ TRANSIT, in particular those on the front lines, who have kept our system moving. As Pat said, they are the "heroes moving heroes" during this crisis.

There's no secret that COVID-19 pandemic has had a devastating financial impact on all us. Nowhere have those impacts been greater than on the New Jersey – New York metropolitan region's transit systems. The CARES Act resources have certainly provided a critical, though temporary, funding bridge to ensure we could continue to provide essential transit services for healthcare professionals, first responders and other essential workers who depend on our service. However, since the last time we wrote to our Congressional Delegation, a fuller understanding of the COVID-19-related impacts has emerged.

As this public health crisis has only continued to worsen dramatically, the financial impacts on transit agencies – including NJ TRANSIT – have continued to escalate. Indication, we thought that originally our ridership would be down 90%, which was unimaginable at the time, and similar to several others is down below at 95% cut. So, there are a number of impacts like we've been digesting and as Pat mentioned, transit is so critical to our economy we cannot afford to go back to the era where transit systems were on the verge of collapse.

New Jersey Transit ourselves, we're just coming out of what had been a decade of disinvestment before I got here two years ago, and we're making progress and to lose that and as we're starting to make up for lost ground, this could be a real body blow. At this point, I think, for most states, the full impact of the state budgets are unknown at this time but we certainly know that they will be significant. New Jersey Transit is heavily reliant on state support for operating expenses. And really, that's I think, what brings us here today, our mass transit systems are the underpinning of respective economies.

And I can I can tell you, at least in New Jersey's case, it's absolutely, we move nearly 1 million people a day, we're the most densely populated state in the country. To not have a fully functional and operating robust transit system as we recover is, would have significant impacts through all aspects of living in the state and disturbing the metropolitan regions, both New York and Philadelphia, from the commuter shuttle, that's so critical for the for our regional economy. So we certainly look forward to working with our federal representatives, alongside with our colleagues and leaders from labor here today and we need to ensure we have the critical funding to continue to live with that same service, as we had beforehand. With that, I'll turn it over to the President of the Transportation Trades Department (TTD), AFL-CIO, Mr. Larry I Willis. The TTD is a coalition of 33-member unions, many of which operate within NJ TRANSIT, including the ATU, SMART-TD, and TCU. With that, Larry take it away.

**Larry Willis, President of the Transportation Trades Department (TTD), AFL-CIO:** Thanks, Kevin, and you're right, I think the broader perspective and coalition that that we bring to the table is important and we're proud to support this request, and specifically John Costa, John Samuelson on the labor side, want to associate my comments with theirs and support. I think the good observations that have been already made on this call.

From our perspective, we know that public transportation workers across the country are putting their lives on the line to carry essential workers to and from their job. We're talking about nurses and doctors, law enforcement, first responders, on down to grocery store workers who help us all put food on the table. And that's why keeping our public transportation system operational is not just a luxury, it is a necessity for the physical and economic well-being of this country. Unfortunately, it is becoming increasingly clear that the economic impact of COVID-19 is taking a far larger toll on this country, in this industry, than previously anticipated. A significant, a significant infusion of additional federal funding, what we're talking about on this call today, we know is needed for transport systems to remain operational for the foreseeable future. This funding has never been more critical for the frontline workers whose last line of defense are the gloves and face masks that are essential to keeping them safe.

For the riders who face in public transportation will be grounded in knowing buses and rail cars are being cleaned regularly to the highest federal standards and for the health of our economy as this country begins to reopen. With unemployment levels at record highs we need every tool, every tool, that work to bring this country back online. We simply cannot do it without the vital service that public transit provides. With that, I am happy to introduce Leslie Richards, General Manager of SEPTA.

**Leslie Richards, General Manager, Southeastern Pennsylvania Transportation Authority (SEPTA):** Thank you Larry. Good afternoon, and as you have heard from my colleagues, this is an unprecedented time for the nation and certainly for public transportation. Like has already been shared by many others, this pandemic has hit us in heartbreaking ways here at SEPTA, we've lost seven members of our SEPTA family and over 250 employees have tested positive.

Our actions from our frontline employees and our unions have been nothing short of heroic and each agency's experiences have and will be different, but I think they all share the same common priorities: the health and safety of our workforce and customers, providing critical transportation but central workers and those needing to access life-sustaining services, and returning to service strong and ready to support our region's in recovery. In the face of devastating revenue losses we are only positioned to meet these priorities because of the CARES act, and I want to thank our entire congressional delegation for their quick response to SEPTA's needs and for including vital assistance to the nation's hard-hit transit agencies.

SEPTA faces a wide range of financial challenges that are difficult to calculate, including staggering farebox revenue and ridership losses, the prolonged impact on sources of state and local operating and capital subsidies, and costs related to ongoing and future social distancing, vehicle and station sanitizing and employee screening and virus testing protocols. SEPTA's service is the engine of southeastern Pennsylvania, which alone accounts for 42% of Pennsylvania's economic output. SEPTA's ability to meet the transportation needs of our region will determine how quickly and fully the state recovers from this crisis.

While we continue to evaluate the long-term impacts, we know recovery will require the full amount of CARES act funding and sustained actions from all levels of government, including additional direct federal assistance. Similar to recovery funding following a natural disaster, direct assistance based on demonstrated needs with target assistance to more effectively address COVID-related revenue losses and expenses for the hardest hit transit agencies like SEPTA, and because right now the unknowns far outnumber the knowns, this type of assistance would provide a measure of operating security by creating a critical safety net, once expenses and revenue losses exceed CARES act funding levels, and we know that is going to happen. Our region, and SEPTA in particular, has been profoundly affected by this crisis and yet every day our essential workers are making it possible for other essential workers to serve the region. In closing, I just want to thank SEPTA's frontline workforce for leading the region in this crisis and I could not be more proud. Thank you.