

California Transit
Association

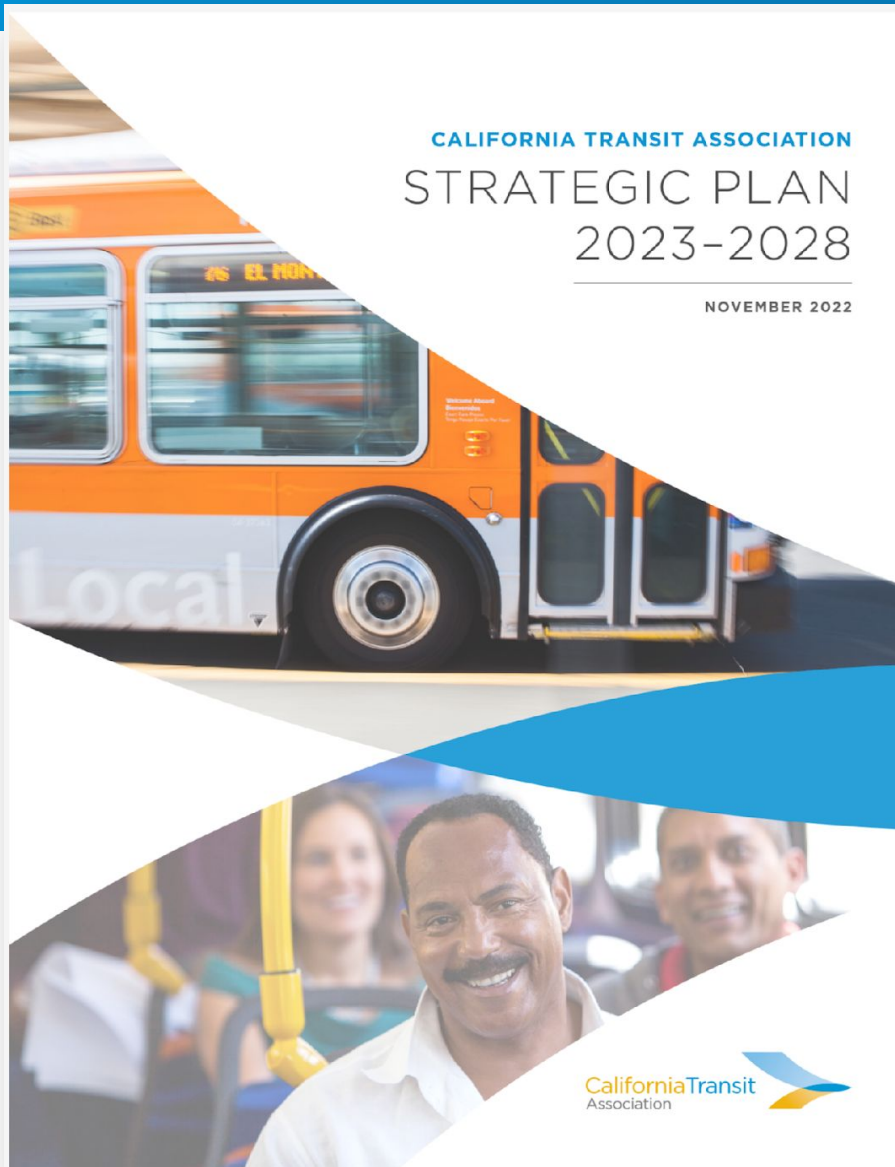


Update from California Transit Association

Prepared for "Steering Transit from the Fiscal Cliff"

April 13, 2023

Our Top Priority in '23: Transit Operations Funding



PRIORITY OBJECTIVES, 2023 TO 2028

- 1a.** Secure new transit operations funding to address the pandemic-induced looming fiscal cliff and support transit's recovery from the pandemic.
- 1b.** Provide support to public transit agencies in the transition to zero-emission vehicles; address agency needs for recharging/refueling infrastructure, maintenance facilities, etc.
- 1c.** Update the Transportation Development Act (TDA).
- 1d.** Enhance transit industry workforce recruitment and training efforts – for example, through engagement with Community College system State Chancellor and other educational partners to promote driver training and certification programs.
- 1e.** Address driver and passenger safety and security concerns related to inappropriate behavior on transit vehicles and at stations; address the impact of unhoused persons on transit vehicles and at stations.

Phase 1 of Our Campaign in Full Swing

CAPITOL WEEKLY
GOVERNING CALIFORNIA GOVERNMENT AND POLITICS

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OPINION

California transit agencies need more state support

BY MICHAEL PIMENTEL 02/01/2023

FACT: CA imports 75% of our oil resulting in higher gas prices

OPINION In 2009, the State of California invested a historic \$8 billion in transit and rail capital projects to build a stronger, more equitable, and more sustainable transportation network for the future. Facing a \$6.5 billion “budget problem,” the Fiscal Year (FY) 2022-23 State Budget released by Governor Newsom on January 10 proposed to reduce this investment by \$2 billion. Critically, the budget is silent on the looming and pandemic-induced operations funding crisis faced by agencies statewide. Without dedicated operations funding, some of the state’s largest transit agencies will have to reduce service, lay off staff, and defer maintenance and modernization programs.

California public transit agencies survived the pandemic because of unprecedented federal action – which provided \$69.4 billion nationwide through the CARES Act, CRRSA Act, and the American Rescue Plan – as well as state statutory relief. These emergency measures, reflecting federal and state leaders’ understanding of the essential service provided by transit agencies, were intended to bridge the shortfalls in transit revenues until ridership recovered. Ridership still has not recovered to pre-pandemic levels. A survey by the University of California Institute of Transportation Studies (UCITS) found that more than half of the state’s transit agencies are still relying on federal funding. This federal funding and state statutory relief is running out and the state must act.

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Support Transit Operations Funding for the State, Transit and Communities across California

California’s transit agencies need more state support to continue to provide essential services. The state’s investment in transit and rail capital projects to build a stronger, more equitable, and more sustainable transportation network for the future. Facing a \$6.5 billion “budget problem,” the Fiscal Year (FY) 2022-23 State Budget released by Governor Newsom on January 10 proposed to reduce this investment by \$2 billion. Critically, the budget is silent on the looming and pandemic-induced operations funding crisis faced by agencies statewide. Without dedicated operations funding, some of the state’s largest transit agencies will have to reduce service, lay off staff, and defer maintenance and modernization programs.

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SAVE PUBLIC TRANSIT

DON'T LET OUR TRANSPORTATION SYSTEM GRIND TO A HALT

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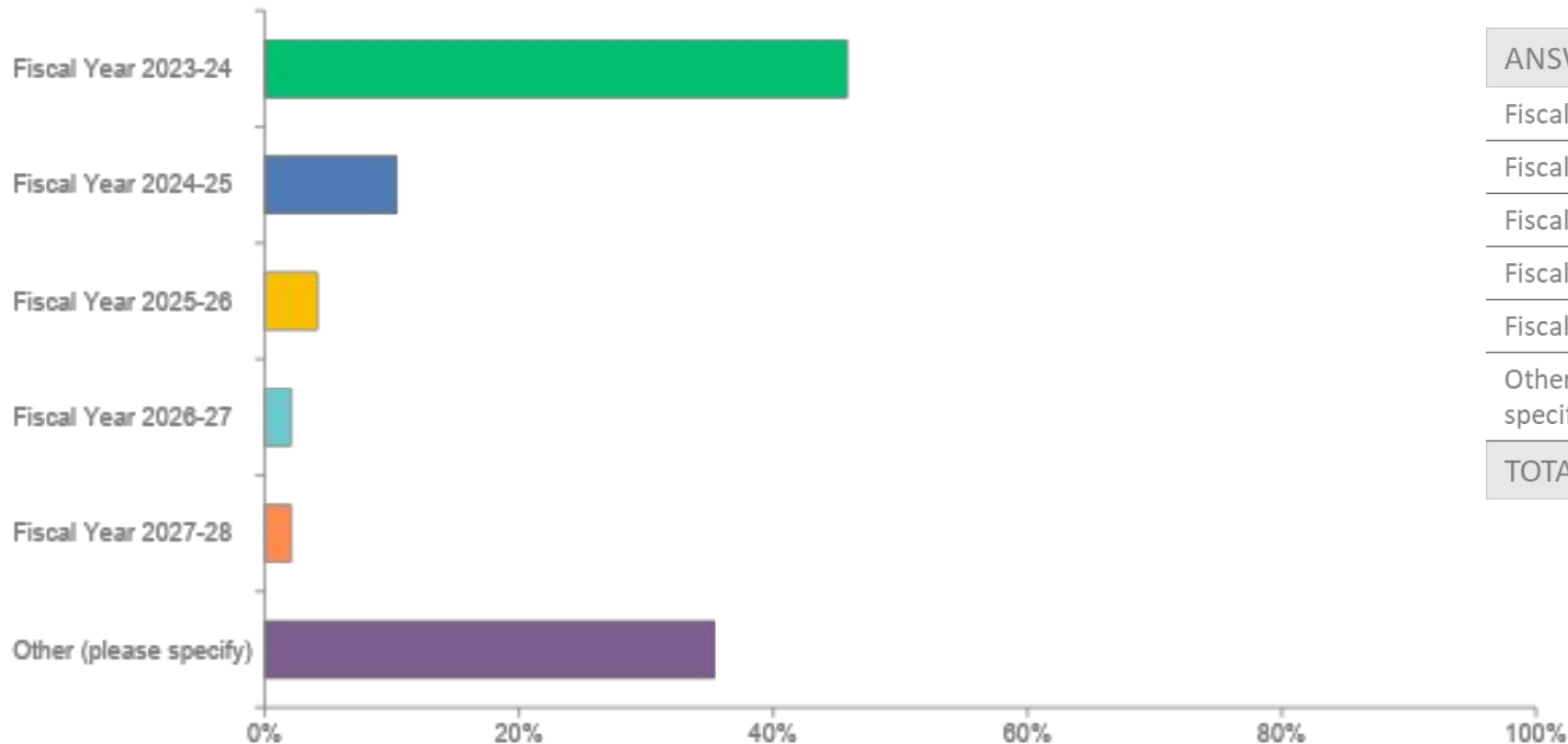
KEEP WORKING FAMILIES MOVING

SAVE PUBLIC TRANSIT

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Why We Are Mobilizing – Survey Results

Please identify in which state fiscal year your agency projects to fully expend the federal COVID-19 relief funding you received.



ANSWER CHOICES	RESPONSES
Fiscal Year 2023-24	45.83%
Fiscal Year 2024-25	10.42%
Fiscal Year 2025-26	4.17%
Fiscal Year 2026-27	2.08%
Fiscal Year 2027-28	2.08%
Other (please specify)	35.42%
TOTAL	

Why We Are Mobilizing – Survey Results

Please identify in which state fiscal year your agency projects to fully expend the federal COVID-19 relief funding you received.
 (Responses from 20 largest survey respondents)

FY 2022-23 (Captured in 'Other')	FY 2023-24	FY 2024-25	FY 2025-26	FY 2026-27	FY 2027-28
<ul style="list-style-type: none"> Los Angeles County Metropolitan Transportation Agency Metrolink Orange County Transportation Agency 	<ul style="list-style-type: none"> Alameda-Contra Costa Transit District Fresno Area Express Golden Gate Bridge, Highway, and Transportation District Long Beach Transit Riverside Transit Agency San Francisco Municipal Transportation Agency San Mateo County Transportation District Santa Cruz METRO Stanislaus Regional Transit Authority 	<ul style="list-style-type: none"> Omnitrans Sacramento Regional Transit District San Francisco Bay Area Rapid Transit District 	<ul style="list-style-type: none"> Foothill Transit Monterey-Salinas Transit North County Transit District 	<ul style="list-style-type: none"> N/A 	<ul style="list-style-type: none"> San Diego Metropolitan Transit System Santa Clara Valley Transportation Authority

Why We Are Mobilizing – Survey Results

- As transit agencies exhaust federal relief, operating deficits begin
 - Deficits begin in FY 2023-24, increase significantly in FY 2024-25
 - Projected statewide need of \$6 billion - \$8 billion
- **NOTE:** Depletion of federal relief not sole driver of operating deficits
 - Stagnant ridership levels; lost fare revenues
 - Capital Costs (vehicles, parts/materials)
 - Operating Costs (labor, risk management/insurance, fuel)
 - Economic downturn (out-years)

Contact Information

Michael Pimentel
Executive Director
California Transit Association
michael@caltransit.org

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