

March 2, 2021

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Paul P. Skoutelas

1300 I Street NW Suite 1200 East Washington, DC 20005 p: (202) 496-4800 f: (202) 496-4324 The Honorable Richard C. Shelby United States Senate 304 Russell Senate Office Building Washington, DC 20510

Dear Senator Shelby,

On behalf of America's public transportation industry, which directly employs more than 435,000 workers and supports millions of private-sector jobs, we write to strongly support H.R. 1319, the "American Rescue Plan Act of 2021". This bill, as passed by the U.S. House of Representatives, provides \$30.5 billion in critical COVID-19 emergency funding to help public transit agencies continue to provide a lifeline to essential workers, ensure Americans can get to vaccine distribution sites, and advance communities' efforts across the country to rebuild our nation's economy.

The COVID-19 pandemic has driven home the essential role that public transit plays every day, bringing healthcare professionals to the frontlines, delivering groceries and medicine to at-risk populations, and connecting essential workers to their places of work. To help the national effort to vaccinate Americans, many agencies are providing free rides to vaccination sites and, in some cases, transit facilities have become vaccination clinics. ¹ Transit workers are truly performing heroic services for their communities during this precarious and uncertain time.

All the while, the pandemic has significantly increased public transit operating costs and slashed principal sources of transit operations funding, including agency farebox, state and local tax revenues, state and local funding, and other revenues.

We greatly appreciate your work to enact the Coronavirus Aid, Relief, and Economic Security Act (CARES Act) (P.L. 116-136) and the Coronavirus Response and Relief Supplemental Appropriations Act, 2021 (CRRSA Act) (P.L. 116-260). This COVID-19 emergency funding provided critical, immediate relief and helped to prevent some of the most drastic outcomes,

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such as layoffs, furloughs, and cuts to service. However, public transit agencies need additional funding to continue to provide essential services throughout the ongoing crisis.

Based on an independent economic analysis² of COVID-19 impacts on public transit funding needs, APTA estimates that public transit agencies face \$39.3 billion of additional costs and revenue losses, in addition to the emergency public transit funding provided in 2020.

If Congress and the Administration do not provide significant additional COVID-19 emergency transit funding, many public transit agencies will be forced to cut service and lay off or furlough employees. According to a January 2021 APTA survey of public transit agencies, four in 10 agencies will have to consider additional service cuts to close their budget gaps.³ Similarly, 22 percent of agencies will be forced to consider implementing additional layoffs.⁴

These funds are also critical to maintain the manufacturing and supply chain for public transportation agencies and limit the enormous economic damage to these businesses caused by the pandemic. According to a January 2021 APTA survey of public transit industry businesses, 76 percent of businesses have seen a reduction in their transit industry business because of COVID-19, and nearly four in 10 businesses (38 percent) will be forced to consider additional layoffs. Moreover, one of every five businesses (22 percent) are concerned that they may go out of business due to the pandemic. 6

We strongly support the \$30.5 billion of emergency public transit funding provided in the American Rescue Plan Act of 2021. We also greatly appreciate that the bill distributes these funds in a manner that ensures that all public transit agencies can continue to be a lifeline for our essential workers, ensure Americans can get to vaccine distribution sites, and advance our communities' efforts to rebuild from the economic fallout of the pandemic.

Thank you for your consideration.

Sincerely,

Paul P. Skoutelas President and CEO

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¹ <u>https://www.apta.com/news-publications/press-releases/releases/public-transit-connecting-the-nation-to-covid-19-vaccines/</u>

² EBP US, Inc., *The Impact of the COVID-19 Pandemic on Public Transit Funding Needs in the U.S.*, January 27, 2021, https://www.apta.com/wp-content/uploads/APTA-COVID-19-Funding-Impact-2021-01-27.pdf.

³ American Public Transportation Association, *COVID-19 Pandemic Threatens Public Transit Jobs and Service*, January 2021, at https://www.apta.com/wp-content/uploads/APTA-Survey-Brief-Agency-Jan-2021.pdf.

⁴ Id.

⁵ American Public Transportation Association, *COVID-19 Pandemic Threatens Public Transit Businesses*, January 2021, at https://www.apta.com/wp-content/uploads/APTA-Survey-Brief-Business-Jan-2021.pdf. ⁶ *Id*.