

**The Importance of a Long-Term Surface Transportation  
Authorization in Sustaining Economic Recovery**

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Mr. Chairman and Members of the Subcommittee:

I would like to express my appreciation for the opportunity to address you today on the Importance of a Long-Term Surface Transportation Authorization in Sustaining Economic Recovery.” My name is David Bruffy and I am the General Manager of the Mountain Line Transit Authority in Morgantown, West Virginia. I also serve as the President of the West Virginia Public Transportation Association and as West Virginia’s representative on the Community Transportation Association of America’s State Delegate Council. In this capacity as a representative of the Community Transportation Association of America, I am pleased to communicate the Association’s complete support for the Surface Transportation Act of 2009 and concerns about any long-term delay in its adoption.

I would like to tell you briefly about Mountain Line Transit Authority. We currently provide more than 1.1 million rides each year, using a fleet of 38 vehicles, and provide fixed-route bus service on 20 routes, along with demand-response services and an intercity regional bus route. Our annual budget includes support from the Federal Transit Administration’s Small Urban (5307), Seniors and People with Disabilities (5310), Job Access and Reverse Commute (JARC) and New Freedom programs. Recent ridership increases are showing that the larger Morgantown community has embraced public transportation as one of the keys for the future development of our community. Monongalia

County is one of the youngest counties in a state with one of the oldest populations in the country.

The ambitious transportation blueprint developed by the House of Representatives' Transportation and Infrastructure Committee – the Surface Transportation Authorization Act of 2009 – establishes a long-term foundation for transportation investment and reform. Congressional action to move this vision forward is urgently needed. However, some have suggested that a temporary extension of the current Safe, Affordable, Flexible and Efficient Transportation Efficiency Act – a Legacy for Users (SAFETEA-LU) legislation is preferable, considering other national priorities and legislation working their way through the Congress. Such a delay could present significant obstacles to transit providers like myself and threaten prospects for fundamental improvements to our national approach to surface transportation that are desperately needed.

### **A Tenuous Time for Transit**

There are a number of reasons why any hesitation in a multi-year surface transportation authorization would present significant challenges to transit systems like mine. First and foremost are the increasingly tenuous conditions that transit providers face. Last summer's skyrocketing fuel prices were the pinnacle of a recent trend of increasing transit ridership across the nation, from which my system likewise benefited. Collectively, in the first quarter of 2009, more than 2.6 billion trips were provided by public and community transportation systems in the

first quarter of 2009. And while prices have since returned to lower levels, as an industry, transit's passenger counts have generally remained high.

In spite of these gains in ridership, transit operations like mine are faced with steadily increasing costs – in terms of fuel costs, insurance premiums and other factors – that often outpace additional revenue produced by additional riders. As well, state and local economies have been most severely impacted by the economic downturn, thus reducing access to local share for many systems. Some observers have termed this phenomenon the transit paradox – meaning at a time when transit is carrying more passengers than ever before, we are forced to take actions which could drive those new riders away from transit, perhaps permanently.

This trend has already impacted Mountain Line. This year, we were forced to reduce service because of our increasing operating deficit. We reduced capacity on already crowded routes and eliminated a housing shuttle service when local funding ran out. Meanwhile, West Virginia University recently reduced its commitment by nearly 16 percent, which produced a resulting cutback in our service to university students. Despite these reductions, we still expect an increase in ridership of over 30 percent compared to 2008.

It is in this context that a long-term authorization of surface transportation is needed, and immediately. Such an effort would allow transit providers to craft budgets and operating plans guided by predictable levels of investment.

Additionally, the Surface Transportation Act of 2009 proposes to double the level

of investment in the transit program, and that increased investment would pay immediate dividends for transit agencies' operating budgets. Any delay in this process is a barrier to moving transit forward, and forces transit providers to consider additional fare increases and reductions in service, neither of which anyone wants.

### **An Economic Imperative**

Improved mobility options and enhanced transportation infrastructure are for the first time being realized as equal partners in economic development at the national, regional and local levels. The value of the connections that transit fosters in linking people with jobs, accessing essential services and fueling communities and districts of economic growth is increasingly recognized by community leaders and public officials as vital in our common prosperity. That recognition was codified this year in the American Recovery and Reinvestment Act (ARRA), which provided \$8 billion investment for our nation's community and public transportation systems – in addition to existing levels of support through SAFETEA-LU – as well as substantial investment in other key transportation priorities such as high-speed rail. Additionally, the Congress also recently approved measures to allow 10 percent of ARRA investment to support transit's operating expenses, a crucial move to help transit agencies avoid further service cuts and fare hikes, as I described earlier. At Mountain Line, we benefited from support to purchase an additional three buses, building on an existing order. The

new vehicles allow us to restore some of our previously reduced service and reduce our long-term maintenance expenses. However, we also could have utilized additional capital investment to upgrade our scheduling and dispatching software as well as improve our on-board vehicle technology.

At a time when all of our nation's leaders are rightly focused on helping our ailing economy recover in the most rapid and efficient manner, the investment provided for transportation in general – and transit in particular – in the ARRA are delivering powerful benefits to rebuild our economy.

On June 23<sup>rd</sup>, the Committee on Transportation and Infrastructure released data on transportation projects kick-started by funds from the American Recovery and Reinvestment Act (ARRA). The results were impressive: as of May 31<sup>st</sup>, over 4,000 highway and transit projects had been put out to bid across the entire nation with only 46 percent of the available formula funding assigned. A conference call among several state departments of transportation on July 14<sup>th</sup> reported the following specifics: in Utah, 97 percent of ARRA money has been obligated, while 93 percent has been contracted and 43 percent of contracts are underway. Additionally, California expects to have an additional \$750 million in funds obligated by the end of the summer, while Washington State has provided \$1.1 million in payroll to workers on 59 projects, with 71% of ARRA funds obligated. Over 850 workers have been employed for these projects.

These projects translate into direct, on-project jobs for 21,000 Americans. Nor does the impact of these projects stop on-site. These projects are capital-

intensive, requiring physical resources in addition to human labor. For every rail project that employs workers to lay the tracks, it employs workers in our steel industry to produce those rail ties. It employs drivers to bring those rail ties to the site. It employs engineers to oversee the design of the rail system. The Buy America provisions built in to many public transit agencies' capital expenditure policies also translates into much-needed support for American industries. As many American motor vehicle manufacturers begin to expand their transit production lines, the expansion of new transit projects generates demand and creates a new market for these companies, providing them with the resources they need to recover and adapt to an evolved market.

Even more importantly, many of these generated jobs are in the sectors that have been hit the hardest by the recession. A recent study conducted by the American Public Transit Association found that two-thirds of jobs created or supported by transit project spending in sectors like manufacturing, repair and maintenance, vehicle operation, or fare collection. It is therefore difficult to fully determine the impact of these transportation projects simply because they resonate throughout so many sectors of the economy. But the net result is undeniable: these projects create jobs in staggering numbers, generating benefits that quickly offset the costs of investment.

The speed with which this job creation is taking place is just as impressive as the size of the impact. Given the alarming backlog of repairs and maintenance needed for this nation's transportation infrastructure, there are thousands of

projects across the country in state DOTs that demand attention but are sitting on shelves. These infrastructure projects epitomize the “shovel-ready” concept, needing only the investment in order to start. With less than half of the ARRA funds assigned, there has already been impressive job growth in a small amount of time. It is essential for Congress to capitalize on the momentum that this funding has already generated. To delay reauthorization is to miss a critical opportunity to fight back against the recession with swift and direct action that will resonate throughout all economic sectors. Maintaining the status quo of transportation funding will stifle state and local transportation departments in following through on new projects, leading not only to significant missed opportunities for job growth, but even substantial job loss as transit systems across the country reduce their services. Service reduction in the transit industry not only leads to job reductions within the industry, but – as important – the loss of accessible transit means that those who depend on public transportation for mobility will lose access to their jobs.

### **A New Vision for Surface Mobility**

It is therefore essential that the investment directed to transit in the ARRA not serve as a one-time, bonus appropriation, but rather coincide with a long-term strategy for sustaining and improving the mobility afforded by reliable, responsive and efficient community and public transportation. Indeed, it is time for a new legacy to be cultivated through our nation’s surface transportation legislation –

the kind advanced in the committee's Surface Transportation Authorization Act of 2009. This is why the early momentum generated through the ARRA must not be wasted by a delay of any kind in a long-term authorization.

The Surface Transportation Act of 2009 in many ways marks the type of approach to transit investment for which my peers and colleagues in transit have long been advocating. More than just a simple growth in investment dollars, the Act includes important provisions to streamline federal investment programs, ensure a state-of-good-repair, support projects of national significance and promote livable communities, among others. Most important for local transit providers like Mountain Line are the Act's measures to expand investment for transit operations. In Fiscal Year 2005, Mountain Line moved more than 396,000 riders. In Fiscal Year 2008, that number had grown to well over 1.1 million – an increase of 194 percent. However, over that same four-year span, our federal investment grew by only 33 percent, leaving a sizable gap in operating expenses.

While support for capital expenses such as vehicles, technology, intermodal stations and maintenance facilities is always needed, additional federal investment for transit's operating costs would have the most profound impact in our ability to serve our communities by expanding service and maintaining affordable fares. By avoiding a delay in authorizing legislation that includes provisions such as these, Congress can ensure transit providers can continue our work in mobilizing people and the American economy.

## **Demographic Trends Impact Economic Recovery**

Sustained economic recovery is intrinsically connected to the mobility of all Americans. Public and community transportation — serving urban, rural and suburban communities — connects millions of Americans everyday with work, with routine and ongoing medical care and treatments, with shopping, with vital local human services and much more. What's more, rebuilding the nation's public transit infrastructure — especially in light of the fact that overall transit ridership is at its highest level in more than 50 years — is already positively impacting the nation's economic recovery. The Surface Transportation Act of 2009 includes a number of innovations that will help public and community transportation providers to better respond to this growing demand and that will continue the rebuilding of the nation's transit infrastructure that was started in the ARRA.

Within this growing demand for transit is one demographic that represents several important opportunities for transit providers to impact the nation's economic recovery — senior citizens. Public and community transportation — increasingly — finds itself the only mobility option for a growing number of older Americans who either cannot or choose not to drive themselves. For example, Mountain Line recently entered into an agreement to provide service for a local non-profit senior center, including unlimited transit passes for their participants and additional demand-response service for those who cannot access traditional transit.

For years, almost everyone in this country has identified the growth of our

senior population as a significant challenge for our government, our economy, and for the health care system. This ongoing growth is a challenge to community and public transit, as well, particularly as it pertains to health care. Whether it's dialysis, chemotherapy or even just a routine check-up, transit's role in connecting seniors with health care is a vital aspect of the network's role in sustaining economic recovery.

The current trends in health care delivery across the country are significant contributors to the growing demand for transit. Foremost in these trends is outpatient care. As the health care system continues to limit in-hospital stays, it creates transit demand, particularly among older Americans. From life-saving dialysis treatments and chemotherapy to physical and occupational therapies, outpatient practices create the need for regular transportation to and from care. In many cases, public and community transportation systems find themselves overwhelmed by non-emergency medical transportation demand — emanating largely from the local senior community.

The Surface Transportation Act of 2009 includes a number of provisions that strengthen the ability of transit systems to meet this important demand — most notably doubling overall transit investment. It calls for more efficient collaborative approaches between human service and public transportation in both urban and rural communities and it begins the process of investing in mobility systems that do more than just respond to this trend, but that get ahead of it.

Waiting an additional 18 months might not sound like a long time — particularly in the Washington legislative cycle. But in the case of America's senior citizens and their increasing mobility needs, as well as in the face of mounting non-emergency medical transportation concerns, such a wait will assuredly exacerbate what is already a dire situation.

### **Connecting America Back Together**

The nation is entering a new transportation era. The tremendously successful Eisenhower Intercity Highway era has ended and the nation finds itself more disconnected than ever before. Congestion robs our economy of an estimated \$78 billion a year. More than 40,000 Americans perish each year on our roadways. Maintenance and upkeep of the highway and bridge system we just celebrated completing has fallen far behind schedule.

Yet all the transportation news is not bad. Ridership on the nation's public transit systems is approaching all-time highs. Rural communities that for decades had little or no public transportation component are now seeing such services — sometimes for the first time. Under the guidance of the past several federal transportation reauthorization laws, communities around the nation have built light rail and commuter rail systems, rural transit operations and intermodal facilities.

It is now time to take these successes and connect them together offering Americans in cities, suburbs and rural areas alike what they have always wanted

in their transportation: choices. The Surface Transportation Act of 2009 takes an important first step in reconnecting America with its renewed focus on intermodalism, its planning reforms that incorporate more citizen and community involvement, its commitment to livable communities and its support of intercity rail systems that will be the backbone of the connections we seek between public transit operators at the local level in rural, suburban and urban areas.

For instance, Mountain Line operates a regional bus line connecting Morgantown with other West Virginia communities en-route to Pittsburgh International Airport and the city's downtown bus terminal. We initiated the service after Greyhound abandoned a similar route in 2005. While the previous route only attracted four-to-six riders per day, the new service carries an average of over 20. We have a similar plan ready to serve the State Capital in Charleston, along with eight other rural transit systems. Unfortunately, as there is currently only a single federal investment program to support regional transit service we are unable to initiate such a service.

Clearly, a more connected network of surface transportation systems will have a positive impact on the American economy. Freeing up the flow of commuters and goods in congested areas alone will have a dramatic impact on sustaining the American economic recovery. Just as important, a connected, intermodal surface transportation network will reduce the nation's reliance on foreign energy sources and help reduce carbon emissions.

## **The Importance of a Long-Term Surface Transportation Authorization**

The importance of a long-term surface transportation authorization for transit systems like mine and those I represent throughout the state of West Virginia is clear. It is needed to meet the growing demand for transit in communities of all sizes. It is needed to help transit operators bridge the operating funding gap that is forcing too many systems to consider fare increases and service cuts at a time when they need to be doing the opposite. It is needed to help serve seniors and to meet non-emergency medical transit demand. It is needed to build upon the momentum that Congress and the Administration established with its swift passage of the ARRA. And finally, it is needed because none of the critical issues facing public and community transportation operators today — to say nothing of the communities and people they serve — will do anything but get considerably worse in the ensuing 18 months.