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## **‘Armageddon’ scenario has arrived** ***Latest budget plan would completely eliminate state funding for transit***

SACRAMENTO — If the new proposal to bridge the state budget gap is adopted, public transit providers will be finished commiserating over ongoing state budget cuts.

That’s because the latest plan to emanate from the “Big 5” budget negotiators doesn’t just cut public transportation funding – it eliminates it.

Already saddled with an 85 percent raid on available state funding sources via the budget adopted in September, transit operators throughout the state are now bracing for what has long been considered the “Armageddon” scenario – the abolition of the State Transit Assistance (STA) program, the only ongoing source of state funding for day-to-day transit operations. STA accounts for as much as 70 percent of the operating budgets of transit agencies in California.

Expected to be taken up during legislative floor sessions on Friday or over the weekend, the plan calls for \$536 million in transit cuts, achieved through the cancellation of the remaining \$230 million due to transit agencies from the September budget’s STA allotment of \$306 million and the eradication of the entire \$306 million in fiscal year 2009-10. The \$306 million was established as a baseline figure after \$1.8 billion in current-year transit-dedicated funds were diverted to fill non-transit holes in the General Fund.

Democratic leaders had originally sought to preserve the STA at a bare bones \$150 million level, as contained in their December version of the budget. But the most recent reported agreement reveals an apparent capitulation to demands by Gov. Arnold Schwarzenegger and Republican leaders to completely eliminate the program.

“Are Republicans and the Governor that bent on destroying public transit that this one last crumb of funding is really seen as making a significant difference in the budget crisis?” wondered Joshua Shaw, Executive Director of the California Transit Association. “And why after indicating all along that they understand the dire circumstances faced by transit providers throughout the state did the Democratic leadership ultimately cave?”

Shaw noted that transit agencies throughout the state have already enacted or contemplated a

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combination of fare increases and service reductions to cope with the \$3 billion in state funding that has been raided in just the last two years alone, and warned that more such drastic measures are on the way. "We will see fare increases. We will see service cuts. We will see layoffs," he predicted. "I can say that with certainty simply because we've already seen those things happening even before the state apparently decided to abandon its responsibility to fund public transportation."

The California Transit Association is the trade organization representing the state's public transportation systems. Its mission is to support the needs of California's public transit systems through advocacy and education. The Association's members include more than 85 local and regional transit systems, operating bus, dial-a-ride, light rail and commuter rail services. Members provided more than 1.5 billion passenger trips on transit in 2008.

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