



Transit Watch: Public Transit in Crisis



January 29, 2021



[Analysis Shows Public Transportation Industry Faces \\$39.3B Shortfall](#)

By Metro Magazine Staff

An independent, [economic analysis](#) conducted by EBP US Inc. for the American Public Transportation Association (APTA) found that public transit agencies still face a projected shortfall of \$39.3 billion through 2023.

While the much-needed initial rounds of emergency funding through the [CARES Act](#) and CRRSAA provided transit agencies across the nation with relief, transit funding needs continue to grow due to ongoing losses of ridership, fare revenue, and state and local tax revenue.

"The COVID-19 pandemic has put a spotlight on the importance of public transit in keeping our society working, moving, responding, and connecting," said APTA President/CEO Paul P. Skoutelas. "The pandemic represents an existential threat to public transit jobs, businesses, and service. Our request for \$39.3 billion is necessary to avoid catastrophic decisions that will hurt our riders, our communities, and the nation."

APTA is urging Congressional leaders and President Joe Biden to provide an additional \$39.3 billion in [COVID-19](#) emergency funding to help public transit agencies continue to provide a critical lifeline to essential workers and to help our communities begin to rebuild our economy.

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. These cuts would come on the heels of 65% of transit agencies having cut service in 2020. Twenty-two percent of agencies will be forced to consider implementing additional layoffs.

These emergency 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% of businesses have seen a reduction in their transit industry business because of COVID-19, and nearly four in 10 businesses will be forced to consider additional layoffs. One of every five businesses are concerned that they may go out of business due to the pandemic.

For more information, please contact the California Transit Association at COVID-19@caltransit.org.

