

FOR IMMEDIATE RELEASE

Friday, March 27, 2020

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## **Recently Signed Federal Stimulus Provides Much-Needed Relief for Struggling California Transit Agencies**

### **Future Stability of Transit Still in Question**

**SACRAMENTO** – Today, President Donald Trump signed a historic \$2 trillion coronavirus relief package, which included more than \$25 billion in funding to transit agencies throughout the U.S. California transit agencies are expected to receive approximately \$3.75 billion. The following statement can be attributed to **Joshua Shaw, Executive Director, California Transit Association:**

“We extend our thanks to President Trump, Senators Feinstein and Harris, Speaker Pelosi, Governor Newsom, our legislative leadership and California’s Congressional delegation for supporting the transit funding component in this much needed relief package. The CARES Act will help stave off some of the more draconian cuts to public transit services and staff over the next 4-6 months.

“But to be clear, while this package may have cauterized the wounds, it has not entirely stabilized the patient. Longer-term, local transit agencies are still facing an existential crisis: a ‘double whammy’ of declining ridership and plummeting sales tax revenue as our economy slows.

“As Californians responsibly shelter in place, agencies report that ridership has fallen by as much as 90% in many districts. Transit agencies will experience at least \$2 billion in lost fare revenue and increased operating expenses over the coming year. And public transportation systems in California rely more on sales tax funding for their core, non-fare-based revenue than most other transit agencies across the country, further compounding anticipated losses.

“To be sure, the CARES Act will provide substantial help and we are grateful. But we will be working with federal and state elected leaders over the coming months to protect the long-term sustainability of public transit upon which millions of Californians and our economy rely.”

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