



May 11, 2021

Dear Chair Hornstein, Chair Newman and members of the HF 1684 Conference Committee:

As you deliberate on HF 1684, the Suburban Transit Association would like to provide feedback on the House and Senate bills in light of comments offered by the Metropolitan Council. The federal COVID relief provided emergency funding for public transit and was passed to allow all transit agencies to safeguard staffing levels and provide service for front-line workers during this historic pandemic.

The Metropolitan Council received more than \$725 million in federal COVID funding for transit in the Twin Cities. Congress passed the first, second, and third COVID stimulus bills for all transit agencies to maintain services and the highly skilled workforce needed for the recovery. The Suburban Transit Providers received delayed and uncertain funding allocations from the Met Council. Due to these delays and uncertainty, unlike our metropolitan and many statewide counterparts, the Suburban Transit Providers were forced to reduce services and furlough workers. We were agile and responsive during the pandemic, but the challenges associated with the Met Council providing Suburban Transit Providers 5% of federal funding caused significant hardships.

As we continue to stress, Suburban Transit Association representatives advocated in Washington, DC, on behalf of all Minnesota transit systems, for any federal COVID relief funding to be allocated equitably to our state. There was a significant push on the federal level that any future rounds of funding would disproportionately go to the larger legacy transit systems around the country like MTA in New York City and MBTA in Boston after the first round of Federal CARES. We were pleased that the funding equations were not changed on the federal level, and Minnesota received its fair share. We never imagined that on the local level, the Met Council would attempt to change our funding allocations after COVID relief bills had been passed. We believe in One Minnesota, and we are part of the Region; we fought, so the federal government did not change the allocation, so our MPO shouldn't change it either.

Federal CARES funding was allocated nationwide based on ridership and revenue losses experienced due to the pandemic. The federal government realized that funding was needed to backfill the revenue loss from reduced ridership for the next couple of years while ridership returns to pre-pandemic levels. The third federal relief package – the American Rescue Plan Act (ARPA) – has allocated \$313M to the Region. Like the First and Second COVID relief bills, the four Suburban Transit Providers should receive 5% of the Regional Allocation, which is \$16.7M. The ARPA Funding allocation is essential for Suburban Transit Providers to adapt to our changing markets and maintain operations just like the Met Council. As a region, we cannot plan to open 11 new transit lines (despite facing a multimillion-dollar deficit that anchors in our core Metropolitan cities), and at the same time not provide federal COVID relief funding meant to support Suburban Transit Providers and all transit modes vital to the regional recovery.

Suburban Transit Providers need this legislation and funding security for increased safety precautions, to maintain our work force and to pivot to new services that will support employees and employers in suburban and urban areas in the metro area.

Thank you for your consideration.



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