TTD NEWS RELEASE

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Carnahan-LaTourette Bill Boosts Ailing Transit Systems

H.R. 3200 Will Help Avert Service and Job Cuts

WASHINGTON, DC – The Transportation Trades Department, AFL-CIO (TTD) today endorsed the Local Flexibility for Transit Assistance Act, legislation authored by Reps. Russ Carnahan (D-MO) and Steve LaTourette (R-OH) that will provide long overdue relief to financially distressed transit systems that continue to cut service and jobs.

"We commend Rep. Carnahan and Rep. LaTourette for advancing a bipartisan solution to a deepening transit crisis," said TTD President Edward Wytkind. "As the American people struggle with high gas prices and an anemic economy, they are using transit at record levels. But instead of expanding operations, mass transit agencies across the country are slashing service, raising fares and laying off workers."

The bipartisan legislation, H.R. 3200, was introduced in the House yesterday with 106 cosponsors. President Obama has already endorsed a similar measure as part of the American Jobs Act. If enacted, the proposed legislation would allow local transit systems experiencing economic crises – that is, unemployment rates above 7% or substantially increased gas prices over a two-month period – to use certain funds to maintain service.

"We have been pushing lawmakers to act on this crisis since it became painfully clear that mass transit systems were facing severe headwinds during the recession," Wytkind said. "This bill will provide immediate, short-term relief without contributing to the deficit. Meanwhile, severe service cuts and thousands of lay-offs can be reversed while transit users in America can expect better service."

Under current law, local transit agencies in cities across the country face significant restrictions on how they can utilize federal funds. That is why after Congress passed the 2009 American Recovery and Reinvestment Act, which invested urgently-needed capital funds in mass transit systems, it later amended the measure to provide more local flexibility for transit systems to use a portion of their funds to maintain operations.

"This is not hyperbole," Wytkind added. "More than 8 out of 10 transit systems nationwide have either cut services or raised fares at the worst possible time. We also fear that as the balance sheets of transit systems weaken the result will be more deferred capital programs as transit managers select a path of contraction over expansion."

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The Transportation Trades Department, AFL-CIO, represents 32 member unions in the aviation, rail, transit, motor carrier, highway, longshore, maritime and related industries. For more information, visit us at <u>www.ttd.org</u> or on <u>Facebook</u> and <u>Twitter</u>.

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