



August 18, 2009

The Honorable Peter M. Rogoff
Administrator
Federal Transit Administration
1200 New Jersey Avenue, SE, East Building
Washington, DC 20590

**RE: Federal Transit Administration Docket Number: FTA-2009-0036
Additional Proposed Guidance for New Starts/Small Starts Policies
and Procedures and Request for Comments**

Dear Administrator Rogoff:

On behalf of the Transportation Trades Department, AFL-CIO (TTD)¹ I want to express our support for the Federal Transit Administration's (FTA) proposed policy changes to its guidance on New Starts/Small Starts Policies and Procedures. Specifically, we support the proposal to eliminate the policy that gives preference to grant applications that contract-out transit operations and maintenance activities or at least demonstrates that an opportunity for contracting out had been provided.

In its Proposed Guidance, the FTA notes that the "type of contracting arrangement used or considered by a project is not useful or appropriate in determining the strength of the overall project." We strongly concur with this statement. Evaluating a project on the use of contracting out has too often been deployed in the transit sector for the express purpose of shedding labor costs and is not consistent with sound transportation or labor policy. Pressuring local communities to privatize transit operations as a condition of receiving federal grant funds is especially dangerous and must be rejected. Instead, FTA should focus on the benefits a project would bring to the community and how the project would enhance the transportation needs of the area.

¹ TTD, which consists of 32 affiliated unions, is the transportation labor umbrella of the AFL-CIO. A complete list of TTD affiliated unions is attached.

Transportation Trades Department, AFL-CIO

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Edward Wytkind, President • Patricia Friend, Secretary-Treasurer

Under the 2007 FTA policy now being considered for elimination, the FTA would increase a project rating when the operations and maintenance of the project was to be contracted out. Contracting out would increase a rating from “medium” to “medium-high” or from “medium-high” to “high.” By way of example, this policy led to the FTA’s original decision to designate the Dulles Corridor Metrorail Project with a “medium-low” rating, which led to the project being considered ineligible for the \$900 million in federal funding needed for completion. The reliance on the contracting arrangement ignored the transportation benefits of linking the District of Columbia by rail to Washington Dulles International Airport and the surrounding Virginia communities of Tysons Corner, Reston, Herndon, and Ashburn. Moreover, FTA ignored the potential to reduce overall reliance on vehicle traffic in Virginia’s largest business district.

The irrationality of the FTA’s initial decision led Members of Congress, as well as state and local politicians to petition then Secretary of Transportation Mary Peters and the White House to revive a project that state, federal and airport officials had spent more than 40 years planning. Eventually, after 11 months of political pressure, FTA reversed its decision and approved funding for the project. The FTA’s proposed policy change would now allow the agency to rate a project equally on all of its merits, and allow projects which offer significant transportation benefits the access to federal funds that they deserve.

Public mass transit has historically been a target of pro-privatization activists who, despite evidence to the contrary, believe the private sector can always deliver these services more efficiently while saving taxpayer dollars. Those who advocate for mass transit privatization forget that our federally supported transit network was created in the aftermath of bankrupt or near bankrupt private operators in the late 1950s and early 1960s who could not operate a private, profitable mass transit system. Yet, advocates of wholesale privatization of mass transit declare that competition and private sector discipline will bring cost savings for taxpayers. This claim ignores a growing body of evidence which demonstrates severe problems of startling cost overruns, threats to safety and shabby service caused by poorly conceived privatization and contracting initiatives. In order to meet the nation's transit needs, the FTA must invest the necessary resources to expand, not destroy, public transit services, and to impose more rigorous performance, labor and safety standards on private contractors when they are allowed. The FTA’s proposed policy changes are an important step to reversing the Bush Administration’s effort to incentivize the privatization of mass transit.

During the Bush administration, the debate over privatization went beyond economics. It became a proxy for a broader debate about shrinking government driven by an obsession with free market solutions that often are neither appropriate nor practical. For years anti-government zealots have told policy leaders that if poor management ruins service delivery; if aging buses plague a city; or if inadequate investment is causing mass disrepair of city infrastructure, then privatization — instead of investment and sensible reform — is the solution.

A project deemed appropriate by the FTA should be judged in its entirety, equally on its merit, and on the opportunity it will provide to the community it will serve. The private sector has been and will continue to be involved in aspects of mass transit, but the presence of a private entity operating the system should not justify special treatment in the evaluation of a project. Transportation labor applauds FTA's proposed policy changes as we firmly believe that no privatization mandates or incentives should be established as a condition for receiving federal funds. States, local governments, Metropolitan Planning Organizations (MPO) and transit grant recipients should be allowed to develop their own conditions for private sector participation within a federal framework.

We look forward to working with you and the Secretary as you strive to meet the transportation needs of our nation.

Thank you for taking the time to consider the views of transportation labor.

Sincerely,

A handwritten signature in black ink, appearing to read 'Edward Wytkind', with a large, stylized flourish above the name.

Edward Wytkind
President

TTD MEMBER UNIONS

The following labor organizations are members of and represented by the TTD:

Air Line Pilots Association (ALPA)
Amalgamated Transit Union (ATU)
American Federation of State, County and Municipal Employees (AFSCME)
American Federation of Teachers (AFT)
Association of Flight Attendants-CWA (AFA-CWA)
American Train Dispatchers Association (ATDA)
Brotherhood of Railroad Signalmen (BRS)
Communications Workers of America (CWA)
International Association of Fire Fighters (IAFF)
International Association of Machinists and Aerospace Workers (IAM)
International Brotherhood of Boilermakers, Blacksmiths, Forgers and Helpers (IBB)
International Brotherhood of Electrical Workers (IBEW)
International Federation of Professional and Technical Engineers (IFPTE)
International Longshoremen's Association (ILA)
International Longshore and Warehouse Union (ILWU)
International Organization of Masters, Mates & Pilots, ILA (MM&P)
International Union of Operating Engineers (IUOE)
Laborers' International Union of North America (LIUNA)
Marine Engineers' Beneficial Association (MEBA)
National Air Traffic Controllers Association (NATCA)
National Association of Letter Carriers (NALC)
National Conference of Firemen and Oilers, SEIU (NCFO, SEIU)
National Federation of Public and Private Employees (NFOPAPE)
Office and Professional Employees International Union (OPEIU)
Professional Aviation Safety Specialists (PASS)
Sailors' Union of the Pacific (SUP)
Sheet Metal Workers International Association (SMWIA)
Transportation · Communications International Union (TCU)
Transport Workers Union of America (TWU)
United Mine Workers of America (UMWA)
*United Steel, Paper and Forestry, Rubber, Manufacturing, Energy,
Allied Industrial and Service Workers International Union (USW)*
United Transportation Union (UTU)