



PUBLIC TRANSPORTATION IN NORTH CAROLINA

Public transportation is a vital link for individuals to live, work, shop and enjoy their local communities providing economic benefits to the communities in which they reside. In urban areas public transit is critical to reduce traffic congestion, maintain air quality and provide access for persons to work. In rural areas public transit is often times a person's only link to medical, shopping and social activities. For many in our state's urban areas public transit is the only access they have to jobs, education and medical services.

- There are 99 transit systems statewide, including:
 - ✓ 80 systems in rural areas;
 - ✓ 16 systems in urban areas; and
 - ✓ 3 urban regional systems
- There are over 2,600 public transportation vehicles operating statewide.
- Public transportation in NC is a \$250M industry employing more than 5,000 people in the public, private, and non-profit sectors.
- In FY 2007, public transportation systems provided 57 million rides to North Carolinians:
 - ✓ Urban ridership: 48,972,000
 - ✓ Community system ridership: 6,667,000
 - ✓ Regional system ridership: 1,142,000
- As ridership in the state of North Carolina increases in response to our state's economic condition and continued growing traffic congestion, expectations have never been higher for North Carolina's public transit systems.
- North Carolina is a federal tax donor state. We contribute more NC tax dollars into the Mass Transit Account (MTA) than we get back. Current figures estimate that our state receives about a .55 ratio of what we contribute. Receipts from North Carolina to the MTA were about \$154,203,000 in 2005. The 2005 allocations/appropriations for FTA programs for NC totaled approximately 85,000,000 (84,466,000).

North Carolina Public Transportation Legislative Priorities FY 2010

1. BUS REPLACEMENT and FACILITIES

NCPTA urges Congressional support for statewide bus earmarks and individual system bus replacement and facility earmarks.

Urban Bus Replacement Needs. The primary funding source for urban transit capital needs is federal transportation funding. Currently, the available formula and recently approved American Economic Recovery Act (AERA) funding does not adequately cover all of the needs. A crisis looms regarding this back log of buses that need to be replaced. More than 50% of the statewide fleet is now in need of replacement. Lack of funding is causing many urban systems to operate fleets beyond their useful life of 12 years. In order to maintain a modern transit fleet, 10% of the statewide fleet of urban vehicles must be replaced each year (about 160 buses).

Maintaining existing service is getting more difficult as vehicles break down and operational costs rise. This year the state anticipates receiving a \$6 million statewide bus earmark. This earmark is critical as it only covers a small portion of the buses currently eligible for replacement.

Public Transportation touches lives throughout the state of North Carolina. North Carolina has 101 public transit systems that provide over 56 million rides annually. In 18 urban areas, transit systems provide 49 million rides with a fleet of over 1600 buses. Modern, well maintained vehicles are critical to providing a safe, dependable and economical public transportation system to all our citizens.

Current Fleet Status. North Carolina's transit systems are faced with meeting this expectation with a rapidly aging fleet. According to transit industry standards, standard transit vehicles have a useful life of 12 years. Of North Carolina's fleet of 1,600 vehicles 50% or 800 vehicles are beyond the recommended replacement age. These vehicles are being used in regular daily service. Failure to replace these vehicles results in:

1. Higher operating and maintenance costs
2. Reduced reliability and safety
3. Lower ridership

Facilities. Many North Carolina transit systems still operate out of antiquated maintenance facilities. Public transit systems are responsible to properly maintain highly technical bus fleets worth millions of dollars. Facilities built in the 1960's are not equipped to properly maintain today's sophisticated buses.

Construction of new maintenance facilities in Raleigh and Goldsboro will benefit transit service in these cities by improving service quality and controlling maintenance cost.

2. Maintain Operating Funds for Small Systems

NCPTA supports the TRANSIT SYSTEM FLEXIBILITY PROTECTION ACT OF 2007

Summary: Transit Systems operating in urbanized areas over 200,000 in population and operate less than 100 peak fixed-route buses (over 130 transit systems) would retain flexibility in the use of federal operating funds.

The phase-out of operating funds for small systems in SAFTEA-LU will result in an estimated loss of 770,000 hours of transit service across the country for systems affected by the 2000 Census with a resulting loss of an estimated loss in ridership of 15,500,000 nationwide. Over 50% of the ridership is to work and over 75% of riders have no other means of transportation.

For systems estimated to go over the 200,000 population level in the next Census and the systems affected in 1996 when this provision was first implemented, the estimated loss in service is 1.4 Million hours of service and loss of ridership of nearly 30 Million nationwide.

The 100 Bus Coalition has calculated that a permanent solution of 35% of the transit systems current Section 5307 apportionments will provide the needed relief without major reductions in service and at no additional funding. SAFTEA-LU based the phased out on the systems FY 2002 apportionment that would still result in significant service reductions.

Using the APTA benefits calculator, the loss in flexibility represents a loss of 8,700 jobs or \$490 million in business sales loss or 4.3 million gallons of gasoline saved per year.

Operating Facts – 100 Bus Coalition Transit Systems (Based on FY 2005 FTA NTD)

Average Ridership per Transit System: 2,331,700

Average Total Operating Budget per Transit System: \$7,805,700

Average 5307 Federal Apportionment per Transit System: \$2,978,758

Average Preventive Maintenance Costs per Transit System: \$1,439,520

Average Loss of Operating Assistance: \$1,214,576 (15.6% of Budget)

Average Passengers per Hour of Service: 20.2

Average Cost per Hour of Service: \$67.80

Average Reduction in Hours of Service per Transit System: 17,914

Average Loss of Riders per Transit System: 361,865

3. Federal Fiscal Year 2010 Appropriations

- Increase federal transit funding overall by \$12.4 billion.
- High Speed Rail: Develop a new \$5 billion state grant program to develop high speed rail corridors.
- Transit Financing: Support user-financed transportation trust funds to enable sustainable funding for transit investments.

4. Federal Transit Reauthorization (FFY2010-2016)

Reauthorization of SAFETEA-LU is a critical effort this year! The North Carolina Public Transportation Association looks forward to working with our congressional delegation to provide information on needs and challenges to help develop an effective transit program that meets the needs of our citizens through 2016.

Below are some general issues that we hope to address in the upcoming months.

- Consider an NC Urban Bus Replacement Earmark for FFY2010-2016
- Increase federal transit funding: Authorize a total investment of no less than \$123 billion over the six-year authorization period.
- Financing:
 - ✓ Strengthen funding guarantees for long-term service planning.
 - ✓ Restore and increase the purchasing power of the federal motor fuels user fee to support necessary increases in public transportation investment.
 - ✓ Promote new revenue generated from additional financing mechanisms that supplement current revenue streams.
 - ✓ Matching Share: Preserve a needs based approach to the distribution of funds and provide no less than an 80 percent match for all transit capital projects;
 - ✓ State & Local Incentives: Create incentives to increase state and local investment levels in public transportation and improve the current federal grant process to speed project delivery and reduce costs.
 - ✓ Capital and operating assistance: Provide capital and operating funding to meet costs associated with Federal requirements and costs beyond their control.
- Technology. Support additional funding of Intelligent Transportation Systems (ITS) to continue assist in providing enhanced customer service and efficient operations.
- Research & Development. Support greater investment in research & development programs and funding to promote transit workforce development and career opportunities.

NCPTA Federal Legislative Trip - March 9-10th, 2009

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