

Connecticut's Economic Future: Investment in Public Bus Services

Connecticut Association for Community Transportation (CACT)
February 28, 2007

Connecticut Investment in Public Bus Service Inadequate for 21st Century

Public bus services are an essential part of Connecticut's 21st Century multi-modal transportation system, economic strength, and quality of life. Bus service

- provides residents and visitors affordable mobility to work, educational institutions, health care, marketplaces, entertainment, recreation, social and civic gatherings, and an array of community services;
- reduces congestion, fuel consumption, and time delay suffered by other travelers; and,
- supports smart development and more livable communities.



Gigi Yanez-Hamberger depends on public bus service to get around. Legally blind, Ms. Yanez-Hamberger rides the fixed-route bus service of the Greater Bridgeport Transit Authority to her work, shopping places and other activities in her community. Prior to living in Bridgeport, she was a customer of CTTRANSIT in Stamford and New Haven and the Norwalk Transit District as well. Because having public transportation available allows her to be independent and to contribute to the economy and her community, Gigi hopes that the state not only funds existing mass transit, but invests funds to extend service to other areas of the state.

Despite the benefits of public bus services, Connecticut's investment for more than a decade has been inadequate even to maintain current service, much less make the service improvements and expand services to meet the mobility needs of Connecticut residents and visitors. While bus operations appropriations to the Department of Transportation have increased in past biennial budgets, operating deficits have grown faster. The primary cost drivers in bus operations have been insurance and fuel.

As a result of funding shortfalls, bus services have suffered cuts to geographical span and/or hours of operations that have affected ridership. Almost 6 million fewer rides were taken on bus transit in 2006 than in 2001.

The simplest explanation of the impact that inadequate investment has on ridership is provided by the consulting firm Urbitran Associates, "If an area has a low level of service for the size of the community, it will likely result in low levels of ridership, simply because the system is not large enough for the area, doesn't get close enough to residents houses or doesn't serve enough places or hours of the day."

Public transportation is not available to all residents in Connecticut. A critical factor in determining whether public transportation is "available" is if access to it is within walking distance for riders.

Where public transportation was available in SFY 2006, the residents and visitors made almost 35 million trips on public bus service (Urban, Rural, Non ADA Dial-A-Ride, ADA Para-transit Service, and TSB Enhancements). The cost to the State in SFY 2006 was \$2.88 per ride. The operating deficit (expense minus farebox receipts) for providing these bus services was

\$105,601,430; the Connecticut Department of Transportation and the Transportation Strategy Board (TSB) share was \$100,124,979. A total of \$104,459,968 was appropriated in SFY 2006 by the General Assembly for three biennial budget line items in the Department of Transportation (ConnDOT) operating budget: Bus Operations, Handicapped Access Program, and Dial-A-Ride.

Bus Operations

The Bus Operations line item funds Connecticut Department of Transportation's share of the operational deficit for the following current services: urban and rural fixed route, rural deviated fixed route, commuter express, inter-regional service, shuttles and some Non-ADA dial-a-ride (Waterbury and Valley Transit District). In SFY 2006, the public chose these bus services for 34,331,290 trips.

Kristen Hotchkiss and Brenda Murtha met on the bus this fall. Since then, the two have become close friends, using their commuting time to talk and enjoy one another's company.

Kristen started riding the Colchester to Hartford commuter express bus regularly when gas was over \$3 a gallon. Since September she has found that riding the bus to her job at ING not only saved her money but also saved wear and tear on her car. "I arrive at work a lot less stressed than if I'd have to fight the traffic myself," said Kristen.



Murtha (left) and Hotchkiss

Brenda Murtha became a rider of CTTRANSIT's Marlborough/Colchester commuter express in October 2006. She was going through a divorce and looking for ways to save money. However, riding the bus has done more than cut back her costs. "It was costing me \$100 a week to drive to work in my Explorer," said Brenda. "Besides that, its so stress free." Her company, Aetna, gives a subsidy of \$30 each month to those who purchase a monthly bus pass. Another plus of riding the bus is that Brenda has made some great friends. Although the bus adds 30 minutes to her commute, she thinks it's worth it.

Urban public bus services provided 33,252,546 rides to the public in SFY 2006. The operating deficit was \$82,898,241, and the Connecticut Department of Transportation (CDOT) share was \$80,193,715.

Rural public bus services provided 335,181 rides to the public. SAFETEA-LU provides 50% matching federal funds for operations of rural transportation. The Connecticut Department of Transportation (CDOT) funds 33% of the match and requires a 17% local contribution. In SFY 2006, CDOT's share was \$814,524 and the local contribution by towns was \$479,845. The operating deficit was \$2,414,632.

Governor M. Jodi Rell's biennium budget recommendations for Bus Operations continue the trend of inadequate investment and will not maintain the current bus services that provide over 34 million rides. Her recommended funding for Bus Operations reduces current service funding by \$ 4.39 million in SFY 2008 and \$6.56 million in SFY 2009. To offset this reduction in

funding, the governor proposes a 20% fare hike to 8 divisions of CTTRANSIT in both years of the biennium. A fare increase is regressive, affecting citizens who have chosen to use bus service because they do not drive (due to income, age, or disability) or choose not to drive; and, it does nothing to increase ridership and the bus service needed to reduce congestion on Connecticut roads.

Bus systems throughout the state struggle to maintain service with little or no increase in their local and state funding. They, like CTTRANSIT, have shaved service hours and routes to address their operating deficits.

At a minimum, the state investment needs to maintain current services without a fare increase. Furthermore, the governor failed to recommend the \$3 million in operations needed statewide for buses that are purchased with the \$ 7.5 million in capital funds provided by the Transportation Initiative (PA 05-4) to increase bus service.

State Matching Grants for Demand Responsive Transportation (CGS 13b-38bb)

The General Assembly passed transportation financing legislation (PA 05-4) that provided \$5 million in each year of the biennium ending June 30, 2007 for implementation of CGS 13b-38bb, a state matching grant program to municipalities for demand responsive transportation services for persons with disabilities and persons age sixty or older. In less than six months, this program has increased dial-a-ride service and encouraged many regional solutions to the mobility needs of seniors and persons with disabilities in 136 towns that applied for matching grants in 2006. The towns began receiving their first grants, a total of \$ 3.9 million, in SFY 2007. Section 37 of PA 05-4 states “that the funds shall remain available until expended.”



Frances Segal is 97 years young, a widow of 37 years and a college student. She graduated at age 85 but continues to audit classes at Manchester Community College twice a week. Mrs. Segal lives alone in her own home with no immediate family in Manchester. Dial-a-ride takes Ms. Segal back and forth not only regularly to her classes and shopping for food and the amenities of daily living, but also periodically to the doctor, hairdresser, and bank. Despite a lengthy list of health challenges, she is physically and mentally stable at this time. She is active and mobile outside of her home because of dial-a-ride.

Demand responsive transportation services often mean the difference between living in their home and being institutionalized for persons with disabilities and the elderly, especially individuals who do not have access to public transportation. This difference can also mean the savings of dollars for the state when compared to the average month Medicaid Nursing Facility Rate.

Connecticut’s towns are eligible to receive a state matching grant that is apportioned based on a formula consisting of the town’s percentage of state population that is 60 years of age or older and its percentage of state miles. As a result of the mandated town reporting required by state matching grants, the Department of Transportation in SFY 2007 will obtain statewide data about

the availability of service, number of riders, number of trips, miles traveled, and vehicle hours; plus the grant application provides information about coordinated service and sources of revenue.

For example, data from the Regional Rides program operated by the Greater New Haven Transit District indicates a very high demand in the town of North Branford, suggesting that the dial-a-ride is serving a mobility need not addressed by limited public transportation. In a state where 655,000 residents will have a disability in 2025 and 18% of the population will be 65 years or older, the mandated town reporting can provide important information for the planning and development of services and the distribution of funds needed to improve their mobility.

In a January 5 press release, Governor Rell heralded the importance of the state matching grant program, but she failed to recommend funds in her proposed budget for the continuation of the program in SFY 2008 or SFY 2009.

Increased Appropriation Needed for Bus Operations

To maintain *all* current services and provide funds for operations of buses to be purchased with the \$7.5 million capital funds committed in PA 05-4, the appropriation to Bus Operations should be increased to at least \$120,339,826 in SFY 2008 (provides an authorization to carry forward from the Special Transportation Fund more than \$ 5 million in SFY 2007 unexpended funds for the state matching grant program in SFY 2008); and, the appropriation in SFY 2009 should be at least \$127,309,718.

Investing Beyond Maintaining Current Bus Services

Because the state investment fails to keep pace with bus service costs, there are many unmet needs for public bus service in Connecticut. *Current service* needs include:

- restoring service to existing routes where inadequate funding necessitated cuts in service;
- adding service on some routes to alleviate bus overcrowding and improve on-time performance;
- expanding the frequency and hours of service to better serve current riders and make transit attractive and convenient to potential riders; and,
- capital investments required to replace aged vehicles, upgrade communications and fare collection equipment, acquire facilities and provide minimal passenger amenities.

Expanded bus services are needed to close gaps in the statewide bus system and extend some existing routes to meet growing demand. Examples of expanded bus service include:

- new cross-town routes in Bridgeport, Hartford and New Haven; and,
- new express routes connecting Metro North with major employment centers.

Interregional bus service and the State network of commuter express service need to be expanded to address commuter needs and remove more cars from Connecticut's highways, contribute to the local economy and reduce the number of parking spaces needed at travelers'

destinations. The successful inter-regional Coastal Link service operating between Milford and Norwalk needs to be replicated in other high-density corridors in the state where inter-regional service will make public transportation more convenient and attractive to customers.

The state cannot afford to allow the continued decline of its bus systems. Connecticut needs to make a significant investment in its public bus services to improve, expand and continue vital bus services to increase ridership and provide affordable, attractive and convenient alternatives to the single occupant automobile.

ADA Para-Transit Program (Handicapped Access Program)

A person who has a disability and lives near a bus stop may choose to ride the affordable fixed route bus to many daily destinations. Westbrook resident Genna Lewis recently started an exciting job as a self-advocate with the Department of Mental Retardation in New Haven. Genna was familiar with the train but needed some guidance to get from the train station to the DMR office. She contacted the Kennedy Center’s travel training program and now she travels from Westbrook to New Haven every morning on the Shore Line East train and then boards a CTTRANSIT bus at the State St. station to complete her trip to work.

However, many Connecticut residents’ disabilities are such that they cannot use the public transportation and rely on the ADA mandated services for their mobility needs. In SFY 2006, the Handicapped Access Program (HAP) appropriation from the state provided the majority of funding for the American with Disabilities Act (ADA) mandated services. The ADA, federal civil rights legislation prohibiting discrimination, mandates that paratransit services be available on a reservation basis for persons determined eligible, during the same hours of operation and serving the same geographical area (within ¾ mile) of a fixed route bus service.

In SFY 2006, the Handicapped Access Program appropriation once again failed to keep pace with the cost of meeting the demand for ADA mandated services. Compounding the problem for many transit districts, the state subsidy, CDOT’s share of the operational deficit, for ADA mandated services creates two categories of operators: those who receive 100% of the operational deficits and those who do not. Transit districts and private carriers providing ADA mandated services to the fixed route services of the state-owned CTTRANSIT receive a state subsidy that funds 100% of the operational deficit. Whereas, the state subsidy for ADA mandated services for transit district-owned fixed route service does not fund the total operational deficit (see table below).

ADA State Subsidy Equals Operational Deficit	ADA State Subsidy Less Than Operational Deficit
Greater Harford Transit District; Greater New Haven Transit District; Central CT RPA-DATTCO; North East Transportation; Norwalk Transit District-Stamford	Greater Bridgeport Transit Authority; Housatonic Area Regional Transit; Middletown Transit District; Norwalk Transit District-Norwalk & Westport; Southeast Area Transit; Valley Transit District; Windham Region Transit District

As a result, when transit districts incur ADA operational deficits that cannot be absorbed by their existing budgets, they must choose between cutting their fixed route service and using their agencies’ non-operating funds. Gas prices and service demand affected operational deficits in SFY 2006.

In SFY 2006, Connecticut residents who have disabilities that impair their ability to use fixed route service took 705,821 trips using ADA mandated services. The appropriation to the Handicapped Access Program (HAP) was \$14,879,804. The operational deficit for HAP was \$18,224,380; and, CDOT's share was \$17,042,639 (requiring a transfer of funds from the Dial-A-Ride line item).

In SFY 2006, appropriations for ADA mandated services were made to two budget line items in the Department of Transportation: Handicapped Access Program and Dial-A-Ride. The Connecticut General Assembly in the 2006 Session consolidated funds for ADA mandated services into the ADA Para-transit Program.

To meet the costs of maintaining all ADA mandated services and provide for the loss of federal funds, the appropriation for the ADA Para-transit Program should be increased to \$21,542,934 in SFY 2008 and \$23,223,606 in SFY 2009.

Non-ADA Dial-A-Ride (Dial-A-Ride)

The Connecticut General Assembly first appropriated \$2.5 million to the Dial-A-Ride (DAR) line item in 1999 to offset the loss of federal operating funds (Section 5307) used by five transit districts for demand responsive transportation services in the urban areas of Bridgeport, Milford, Greater New Haven, Middletown and Greater Hartford. The Greater Bridgeport Transit Authority has used DAR funds for ADA mandated services only, while the other four transit districts have funded both ADA mandated services and non-ADA services for the elderly and persons with disabilities.

Since 1999, the funds for non-ADA services have dwindled as the Department of Transportation transferred a growing percentage of the DAR funds to the Handicapped Access Program to offset the operational deficit. The Department's share (state subsidy) in SFY 2006 for non-ADA Dial-A-Ride services in Middletown Transit District, Milford Transit District, and Greater New Haven Transit District was \$ 199, 338. The operational deficit was \$550,018. In January 2006, the Department of Transportation restored funds to the Greater Hartford Transit District (GHTD) to provide non-ADA dial-a-ride in the towns served by the GHTD.

While the four transit districts have taken action through the years to reduce their operational deficit, it has not been sufficient to meet the growing costs of maintaining DAR service or meeting growing demand. However, the availability of state matching grants to municipalities (CGS 13b-38bb) has not only enabled the transit districts to increase their dial-a-ride service in the towns they serve, but also create regional solutions that serve more towns in meeting the mobility needs of their residents who are elderly or have a disability.

Connecticut's Economic Future: Investment in Bus Transit

Now is the time for Connecticut to be bold and invest in a public transportation plan that benefits every community in Connecticut and can be implemented and show results within 18 months. Transit for Connecticut, a coalition of organizations representing human services, seniors,

women voters, citizens' transportation lobby, municipalities, regional planning, business and the environment, has such a plan. The plan is based on a study performed by Urbitran Associates and funded by the One Region Fund with matching funds from some coalition members.

The plan's new \$79.5 million investment in bus transit operating funds, phased in over 5 years, has the ability to increase bus ridership by 80%! Annually, the additional State investment would be \$12.7 million (assuming a fare box return of 20%). A companion capital investment of \$43 million per year will enable operators to purchase new vehicles, add parking for express bus service, implement BRT projects and expand necessary facilities. For investment information by service type, see the table by Urbitran Associates (below).

Service Type	Full Implementation (Annual Operating Expense)	Increase Over 2005 Spending	Capital Investment	Annual Passenger Trips	Increase Over 2005 Passenger Trips
Additional Funds to Existing Transit Operators	\$48,291,410	46%	\$172,617,156	24,092,640	77%
ADA Service Increase	\$3,297,929	18%	\$1,875,000	125,488	18%
Expansion –New Service Areas	\$24,091,867	N/A	\$11,175,000	1,873,131	N/A
Express Services	\$3,870,529	97%	\$29,769,600	1,138,686	78%
Total	\$79,551,736	61%	\$215,436,756	27,229,945	81%
<i>Total Assuming 20% Farebox Return</i>	<i>\$63,641,389</i>		<i>\$215,436,756</i>	<i>27,229,945</i>	

The investment program in bus transit will:

- *Expand the state's economy* by connecting a broader workforce with employers, reducing congestion and the costs of time delay suffered by travelers, and linking towns and regions.
- *Support healthy and livable communities* by providing: a strong statewide bus-rail system; transit nodes for smart development; affordable mobility to work, educational institutions, health care, marketplaces, entertainment, recreation, social and civic gatherings, and an array of community services-enabling seniors and others to remain in their own homes; and transportation choices for everyone.
- *Help keep Connecticut green* by providing clean vehicle technology and enhanced bus service that increases ridership and reduces pollution and greenhouse gases.

Now is the time to act! We urge state legislators to include the bus transit plan as part of the implementation of transportation infrastructure improvements for Connecticut's economic future!