

Written Testimony for the
Senate Banking Subcommittee on Housing, Transportation, and Community
Development, on
“Promoting Broader Access to Public Transportation for America’s Older Adults
and People with Disabilities”

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Mr.Chairman, Senators:

I am here today to focus on the need for new transit operating models for increasing mobility for the growing senior population, particularly in areas with limited public transportation.

Middlesex County, NJ is a predominately suburban county of 800,000 and is blessed with some of the best interstate commuter transportation in the nation. My agency, the Middlesex County Area Transit operates an 80 vehicle fleet of accessible vehicles transporting over 500,000 annual passenger trips, whose mission is to serve the local transportation needs of persons without access to an automobile.

During the past two decades, urban and rural counties across the nation have experienced rapid suburban population growth and while we have seen the growth of commuter transit and the expansion of urban transit options, local community transit growth has often lagged. In Middlesex County, over 150,000

new residents have been added since 1990- not a single local NJ Transit fixed route bus has been added since 1990- the funding is just not there to meet non-mass transit levels of demand.

The challenge is how to efficiently address the growing mobility demands of aging persons in the context of the overall transit network, growing trip demand and limited financial resources.

Over the past six years, Middlesex County DOT has developed flexible fixed route buses designed to serve both local destinations and access to other local and regional bus and rail services. These flex routes are supported by federal and state funding sources, targeting specific older adults, people with disabilities and low income populations but designed to serve all of these groups and the general public. These services are also operated at lower costs per revenue hour than traditional bus transit services and operate at a higher efficiency than traditional curb-to-curb paratransit services.

The result has been a more than doubling of the system efficiency of the MCAT system while enabling persons without access to an automobile to have greater mobility choices in terms of frequency and the availability of evening and weekend service. These choice benefits accrue not only to our targeted funding populations but to students, passengers choosing to leave their cars at home and the general public.

The power of affordable mobility is illustrated by the story of one of our passengers I met on one of our New Brunswick bus routes. A working mother of two young children, she would use an NJ Transit bus to access the NJ Transit NE Corridor rail service between New Brunswick and Princeton. But between the bus stop and the daycare center, located two miles away next to the rail station, she had to take a taxi in the morning and evening costing \$14.00 per day. When our flex route bus began operating in 2007, she was able to replace the \$14.00 round trip taxi fare with a \$2.00 daily bus fare, saving her over \$200.00 per month in commuting cost. Can you imagine the impact this had on a moderate income household without a car?

This same route provides dozens of senior citizens with access to food shopping and medical destinations and people with disabilities access to a range of services and employment opportunities as well as access to five local NJ Transit regional bus routes and the NE Corridor rail service.

While many public and not for profit transportation providers serving the needs of older persons, people with disabilities and economically disadvantaged persons have critical capital vehicle replacement needs, today the common denominator for most systems is the erosion of operating funds.

Reductions at the state level resulting from revenue shortfalls not only impact the level of direct operating funds for transportation, but many local grant applicants can't provide the required match for federal funding sources, particularly USDOT/FTA/FHWA grants including Job Access and Reverse Commute, New Freedom and Congestion Mitigation and Air Quality grant transit flex funding.

In New Jersey, only 3 of 21 county coordinated systems applied for operating FFY 2010 funding under New Freedom and CMAQ- the barrier is the inability to come up with the 50% matching funds.

Many counties nationally who desperately need operating funds to meet increasing demands are facing the same issue and are applying for capital and mobility management projects which require only a 20% match.

Beyond a crisis of funding facing community transit, there is a need for clearer regulation and coordination requirements.

Agencies are helping themselves by developing new sources of funding including advertising revenue, moving from donation to mandatory fare programs and enlisting corporate contributions to support community transit services that benefit their employees and customers.

In the area of fares and corporate contributions, the growth in transportation demand to kidney dialysis centers has accelerated the search for alternative funding. The Anti-Kickback legislation designed to reduce medical company fraud is being used by privately operated kidney dialysis centers to refuse to contribute for the cost of transportation, believing they would be in violation of those statutes if they provided a contribution to local transportation operators. The issue of whether there is a safe harbor for contributions to local transportation is unclear.

Finally, there is a need to provide incentives for encouraging community transit systems to better coordinate their services through feeder service to traditional bus and rail transit where appropriate.

There are three specific areas where I think federal changes could assist community transit operators in meeting this mission:

1. Strengthen requirements for coordination of service delivery between smaller community transit operators and large urban transportation authorities including the use of funding to purchase transit tickets
2. Consider a change in the federal match requirement for FTA operating funds to create equity between capital, administration and operating funding requirements

3. Require the Centers for Medicaid and Medicare Services (CMS) to issue an opinion on whether anti-kickback legislation applies to the funding of local community transportation by kidney dialysis facilities or does it qualify as a Safe Harbor

As outlined today, the challenge of unprecedented growth in non-auto demand from aging populations as well as other transportation dependent individuals, requires that we leverage the investment in our traditional transit systems in expanding the targeted services for these populations. A 30% reduction in federal funding for these programs would eliminate the progress made in establishing more efficient systems to address the growing demand for transportation in suburban as well as rural and urban areas.

Thank you for the opportunity to raise these issues as you tackle the challenges of providing federal support for these critical services.

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