NEW YORK STATE LEGISLATURE

JOINT PUBLIC HEARING

SENATE STANDING COMMITTEE ON TRANSPORTATION

SENATE STANDING COMMITTEE ON CORPORATIONS, AUTHORITIES & COMMISSIONS

ASSEMBLY STANDING COMMITTEE ON CORPORATIONS, AUTHORITIES & COMMISSIONS

IMPACT OF COVID-19 ON THE METROPOLITAN TRANSPORTATION AUTHORITY

August 25, 2020

10:00 a.m. - 3:30 p.m.

Joint Hearing Impact of COVID-19 on MTA, 8-25-20

SENATORS PRESENT:

SENATOR LEROY COMRIE, Chair, Senate Standing Committee on Corporations, Authorities and Commissions

SENATOR TIM KENNEDY, Chair, Senate Standing Committee on Transportation

SENATOR TODD KAMINSKY

SENATOR GUSTAVO RIVERA

SENATOR ANNA KAPLAN

SENATOR JESSICA RAMOS

SENATOR ANDREW GOUNARDES

SENATOR LUIS SEPULVEDA

SENATOR THOMAS O'MARA

SENATOR JOHN LIU

SENATOR BRAD HOYLMAN

SENATOR SHELLEY MAYER

SENATOR MICHAEL RANZENHOFER

SENATOR SUE SERINO

Joint Hearing Impact of COVID-19 on MTA, 8-25-20

ASSEMBLY MEMBERS PRESENT:

ASSEMBLY MEMBER AMY PAULIN, Chair, Assembly Standing Committee on Corporations, Authorities and Commissions

ASSEMBLY MEMBER KENNETH BLANKENBUSH

ASSEMBLY MEMBER CHARLES FALL

ASSEMBLY MEMBER NILY ROZIC

ASSEMBLY MEMBER SANDRA GALEF

ASSEMBLY MEMBER STEVEN OTIS

ASSEMBLY MEMBER RON KIM

ASSEMBLY MEMBER STACEY PHEFFER AMATO

ASSEMBLY MEMBER VIVIAN COOK

ASSEMBLY MEMBER DAVID BUCHWALD

ASSEMBLY MEMBER PHILLIP PALMESANO

ASSEMBLY MEMBER ROBERT CARROLL

ASSEMBLY MEMBER REBECCA SEAWRIGHT

ASSEMBLY MEMBER CARMEN DE LA ROSA

ASSEMBLY MEMBER YUH-LINE NIOU

INDEX

PANEL 1:

Patrick J. Foye
Chairman & CEO
Metropolitan Transportation Authority

Janno Lieber
Chief Development Officer
President
MTA Construction & Development

Bob Foran
Chief Financial Officer
Metropolitan Transportation Authority

Sarah Feinberg
Interim President
New York City Transit

PANEL 2:

Anthony Utano
President
Transport Workers Local 100

Robert Kelley 114
Chairman
Stations Department Transport Workers Local 100

Anthony Simon 117
Chairman
Sheet Metal, Air, Rail and Transportation Union
(SMART) Transportation Division

Ed Valente
General Chairman
ACRE

Jose DeJesus
President
Amalgamated Transit Union Local 1179

Joint Hearing Impact of COVID-19 on MTA, 8-25-20

PANEL 3:

Justin Wood 191
Director of Organizing and Strategic Resource
NY Lawyers for the Public Interest

Colin Wright
Senior Advocacy Associate
Transit Center

Kwacey Coggins
Essential worker
Member of the NYPIRG Straphangers Campaign

Rachael Fauss
Senior Research Analyst
Reinvent Albany

Lisa Daglian 213
Executive Director
Permanent Citizens Advisory Committee to the MTA

Danny Pearlstein
Policy and Communications Director
Riders Alliance

PANEL 4:

Nicole Gelinas
Senior Fellow
Manhattan Institute

Denise M. Richardson
Vice President of Research
Citizens Budget Commission

Rachel Haot
Executive Director
Transit Innovation Partnership

PANEL 5:

Walter Pacholczak
Vice President of Government Affairs
Associated General Contractors

Joint Hearing Impact of COVID-19 on MTA, 8-25-20

(The public hearing commenced at 10:00 a.m.)

ASSEMBLY MEMBER AMY PAULIN, CHAIR, ASSEMBLY STANDING COMMITTEE ON CORPORATIONS, AUTHORITIES AND COMMISSIONS: Welcome everyone. We are having a joint hearing, the Assembly and Senate on the MTA and what we know is a fiscal crisis. I'm going to take first, I'm the chair, Amy Paulin, of the Corporations Committee and I'm first going to introduce the other members of the Assembly who are here today, in no particular order, Assembly Member Charles Fall, Assembly Member David Buchwald, Assembly Member Nely Rozic, Assembly Member Phil Palmesano, Assembly Member Ron Kim, Assembly Member Sandy Galef, Assembly Member Stacy Pheffer Amato, Assembly Member Steve Otis, Assembly Member Vivian Cook and Assembly Member Ken Blankenbush.

I am going to take a minute to just give some opening remarks and then turn it over to my senate colleagues. So many New Yorkers have relied on a combination of Metro-North, LIRR, the subway and buses to get to their jobs each day.

Joint Hearing Impact of COVID-19 on MTA, 8-25-20

Many have taken advantage of the cultural meccas, the economic opportunities and the personal connections they have in New York City.

Since I moved to Westchester in 1980, I've been using Metro-North. Having grown-up in Brooklyn, I've been using the subways longer. Our transit system is the key reason our community is as robust as it is. These past few months, this health pandemic has put this vital resource in jeopardy. The MTA's fiscal situation is dire, not only in its need for capital investments to stabilize and modernize, but now for the very operating dollars to keep the trains running.

I fear what will happen if the federal government doesn't come through for New York. Sustainable funding is not possible without it. Today, we're here to listen and understand the depth of the problem. Today, we're here to listen and understand the options before us. I know there are no silver bullets, that most of the options available will be difficult and painful for someone to bear.

As the chair of the Assembly Committee

Joint Hearing Impact of COVID-19 on MTA, 8-25-20

on Corporations, Authorities and Commissions, I've had the opportunity to work closely with the administration, the advocates and the hard-working men and women who operate the system. I've come to appreciate the expertise, the talent and the dedication of the frontline employees and operators of our mass transit system who work hard every day and who have put their own lives on the line during this crisis.

I thank all of you here that are about to share your thoughts. It will truly help me to do a better job, as together we work to save our transportation system, our communities and our state. Thank you. I'd like to turn it over to the Senate.

SENATOR TIM KENNEDY, CHAIR, SENATE STANDING COMMITTEE ON TRANSPORTATION: Well thank you so much Assemblywoman Paulin and thank you for your leadership as chair and for co-chairing today's event. I want to recognize my colleague in the Senate and the chairman of authorities and corporations and that is Senator Leroy Comrie who is also co-chairing this event

Joint Hearing Impact of COVID-19 on MTA, 8-25-20

with us today. I'm Senator Tim Kennedy, I'm the chair of transportation. I want to recognize our colleagues in the Senate that are here with us today as well. Senator Ramos, Senator Gounardes, Senator Kaminsky, Senator Kaplan, Senator Rivera, and I think that's it. If I missed anybody my apologies and I know there will be more coming in. Oh, Senator Tom O'Mara as well joined us.

So I just want to take this opportunity to thank everybody joining us on this important conversation that we'll have today. We recognize that this pandemic has upended our entire global economy. And it is hit us here in the United States particularly hard, and here in the state of New York the hardest. And it hit us the hardest because it hit us first. We had to react to it first and we have done a tremendous job of beating back the curve but we have to continue to stay vigilant, keep our eyes open, continue to practice our proper precautions and take this seriously so we don't see a resurgence in the virus.

That being said, as it's upended our

economy it has certainly upended transportation as we know it and the economic impact that transportation, particularly public transportation plays on our economy locally, statewide and nationally. The MTA is a critical component, the most critical component to our economy not only in the downstate region that serves millions of people each and every day but across this great state. As we know, that it supports thousands upon thousands upon thousands of jobs, as well as our national economy.

And so it's so critical that we get to the bottom of how the MTA reacted to the pandemic, where we have come from, where we are today, and where we are headed into the future. I am inspired by the work of those that make the system run each and every day. I want to recognize the laborers, the workforce, those that operate the system, those that maintain the system, those that clean the system, those that prepare the system for functioning each and every day. And those that eat, sleep and breathe the MTA system so that others can utilize it to

function in their own lives.

I'm proud to be a part of this today. And before I pass it over to my colleague and great co-chair of this event, Senator Leroy Comrie I would like us to recognize and honor all of those workers who have sacrificed so much each and every day, particularly through this pandemic and especially those that have lost their lives due to the pandemic, because they chose to go to work to make the system run. And the thousands of people that were infected and have had to alter the entirety of their lives to deal with the health implications, we are grateful and indebted to your service to the respective communities thank you for your work and sacrifice. Now, over to Chairman Leroy Comrie.

SENATOR LEROY COMRIE, CHAIR, SENATE STANDING COMMITTEE ON CORPORATIONS, AUTHORITIES AND COMMISSIONS: Thank you, Chairman Kennedy, thank you Co-Chair Paulin. I thank all my colleagues that have joined. I see we were joined by Senator Luis Sepulveda, Senator Jessica Ramos, I think was mentioned and all my assembly

colleagues as well. I thank the MTA for being here and their leadership team, Chair Foye and also to the advocates, the riders and the concerned citizens. But especially the members of the MTA, because to echo what Senator Kennedy said, the essential workers that never stopped working however they lost many members to the MTA due to COVID-19, because they insisted on trying to maintain the system even throughout the heart of the pandemic when nobody knew how it was spreading or where it was spreading, workers came out and did what they had to do. So I agree with Senator Kennedy, we cannot thank them enough for their stalwartness and their diligence in trying to maintain the system.

Our hearing today is at a critical time in our state, and an interesting time in our world, to find out what the MTA has been working on over the past few months to meet the challenges of this pandemic, what they have been doing to make sure that the system is operating properly. As we know right now, the system is not operating 24 hours a day, even though for the

last 100 years it has. We are concerned about the when and what is the process and what are the plans to see the system come back to 24-hour service. But we're also primarily concerned with what will be the plans to try to maintain the service, in spite of the fact that we are not sure what's going to happen on the federal level.

The changes that have been impacting the system and creating a concern for both the employees and the advocates and the ridership are some things that we look forward to hear about how the MTA is going to take on the challenges. We know that everything that the average strap hanger has to endure and how quickly we can get back to a world class system is important to people throughout the tri-state area and we need to understand the MTA's position how to handle that both on a state and federal level.

With that, we also are very concerned about what the MTA can do with the existing capital plan, what the MTA will be doing to ensure ridership and what MTA will be able to do to address safety in this particular time. We

have many concerns throughout and I look forward to hearing from my colleagues today and also the unions and all of the other folks, the advocates that are interested in where we are with the MTA so that we can be able to do everything we can as a community to try to make changes, improvements and opportunities so that we can get back to a system that can operate safely and adequately for all. With that I'll turn it over. We will hear now from the MTA who is here, I believe.

And Chairman Foye is I believe here and ready to give us a statement and I believe this leadership team is here as well. We will wait for them to bring them online so that they can start their testimony. Again, thank you all my colleagues for being here. I look forward to a robust hearing today.

MR. PATRICK J. FOYE, CHAIRMAN & CEO, METROPOLITAN TRANSPORTATION AUTHORITY: you. Senator Comrie, can you hear me?

SENATOR COMRIE: Yes.

MR. FOYE: All right. Good morning. I want to acknowledge and thank Senator Comrie,

Joint Hearing Impact of COVID-19 on MTA, 8-25-20

Chair Kennedy and Chair Paulin and your colleagues for your leadership during these challenging times. I'm joined by my colleagues today, Sarah Feinberg, the interim president of New York City Transit, Bob Foran, to my right, who is the chief financial officer of the MTA and to his right, Janno Lieber, who is the president of MTA construction and development.

I'd like to start with two opening points. First, the very survival of the MTA and the existence of millions of jobs lie squarely in the hands of the federal government. Continued federal indifference and inertia on a relief bill will exact the heavy toll on the MTA, our heroic workforce and millions of hardworking New Yorkers, our customers in the New York region and people all over the state of New York working on MTA projects, rail cars, buses signaling and more.

Second opening point I'd like to make is a word about the Great Depression. We measure financial and social calamity in the United States against the Great Depression, millions

thrown out of work and out of their homes. You May be surprised to know that the effect of the COVID-19 pandemic exacerbated by federal inaction has exacted a far greater toll on MTA subway ridership, there was no MTA back then, of course, which at its worst, was down 95 percent this spring and today is down approximately 75 percent. Subway ridership after the October 1929 stock market crash peaked in 1930 at slightly over two million riders and declined modestly, about 12 percent by 1933 in the following years.

We have never, New York has never even during the Great Depression of the 1930s, seen ridership declines as severe and as sustained as those we are experiencing right now. And we have never, New York has never, even during the Great Depression, seen revenue losses like today's.

Last time we appeared before you in January, the MTA was doing remarkably well. We reported six straight months of on time performance above 80 percent, the highest ridership since 2017. We projected a surplus for this year of about $81 million. The historic

$51.5 billion MTA capital program had just been approved by the CPRB. MTA transportation revenue bonds were rated AA or AA-, depending on the agency.

Now the MTA is facing an unprecedented crisis brought on by COVID-19 pandemic, which has devastated our agency. It's affected our heroic workforce. We mourn and grieve the loss of every one of our 131 colleagues who have tragically succumbed to the virus. We will never forget them.

It's also obliterated MTA finances. We are facing $16 billion of aggregate deficits through 2024. We urgently need $12 billion from the federal government to get us through the remainder of 2020 and 2021.

Our top priority remains safety first and foremost of our customers and our employees. I'm proud to say that the MTA led transportation agencies nationwide for aggressive response and continue to set the example for agencies across the country.

We've adapted in real time as

researchers and scientists learned more about the virus. We're running service to move New York City through the peak. MTA operating personnel were heroes moving heroes, carrying essential workers such as first responders, healthcare workers, fellow transit workers, those working in grocery stores, pharmacies, police officers, firefighters, et cetera.

Now as we run near normal service ridership is depressed. As of last week, subway, about 1.3 million riders daily, down 75 percent. On buses 1.2 million riders, down 40 percent, Long Island Rail Road ridership, down 76 percent, Metro-North down 83 percent. Revenues have declined dramatically.

We're focused on protecting customers and employees. There's no evidence to date that public transportation any place in the nation or around the world has contributed to any virus clusters, whether here in New York, around the nation or around the world. We've worked closely throughout the entire pandemic with federal, state and local health officials and taken their

guidance. We've instituted comprehensive cleaning and disinfecting programs, which have been implemented system wide.

In the beginning, we started with high-touch surfaces in each station once a day and every single train car. Bus and transit paratransit vehicles at least one every 72 hours. Shortly after that, we increased to disinfecting each station at least twice a day with rolling stock disinfected at least once a day but often more. Surveys of our customers show that 70 percent of customers say the system, the subway system, stations and subway cars are cleaner than ever.

And we've gone above and beyond to keep mass transit safe. We implemented on May 6, the first overnight closure in the subway's 116-year history. We did that to allow every subway station and car to be disinfected on the regime that I just described.

To serve those traveling during these periods, we've added bus routes and added more bus routes. We have been piloting with our chief

innovation officer innovative new technology and cleaning materials, from ultraviolet C light to antimicrobials to electrostatic sprayers and are now doing a proof of concept on far ultraviolet light.

Masks, masks, masks. The most important thing that our customers can do to protect themselves and protect their fellow commuters and our employees is to wear a mask. Wearing a mask is law of the state of New York as a result of Governor Cuomo's executive order. It's right thing to do also to protect yourself, fellow commuters and employees and no one is welcome on public transit without a mask.

We've been going beyond that. We're offering free masks, hand sanitizers in stations, we've installed dozens of PPE, personal protective equipment vending machines in subway stations, Long Island Rail Road stations and Metro-North. In addition, we're piloting mask dispenser boxes on buses. We have a mask force, volunteers who have gone out in the system, I've done it myself on the 7 line, E, 4, 5, and 6 and

bus lines in Queens, to hand out masks to those few who don't have them and to give them to other customers who may need them tomorrow or the next trip.

And we've been robustly communicating through PSAs and messaging in stations, on subway cars, on buses, on commuter rails, et cetera. The Long Island Rail Road developed a new app and we're piloting on buses, to share real time information about crowding conditions to help riders make informed choices. We're looking to expand that.

In terms of protecting our heroic employees, since March 1st, we've distributed over 6.4 million masks, 8.4 million pairs of gloves, nearly 60,000 gallons of hand sanitizer, about 5.6 million sanitizing wipes and nearly 160,000 gallons of cleaning solution. We've created the first in the nation temperature brigade to check employees as they arrive to work. We implemented rear door boarding in cooperation with our unions on buses on March 20th to protect operators. We plan on resuming

fare collection on August 31 with new protections in place to minimize health risks to bus operators. We've installed Plexiglas and vinyl barriers on buses, van share rides and Access-A-Ride and required new training for Access-A-Ride drivers and operators.

We established the first in the nation generous family benefit programs for the families of fallen transit workers, a $500,000 payment to the family members and up to three years in health benefits. To date, payments to 14 families have been processed, working with others to make sure they get what they need. Sarah Feinberg has appointed ambassadors to work with each of the families. We've extended special line of duty pension benefits to the survivors of fallen employees in accordance with the law passed by the legislature earlier this year.

But let me talk about the budget impact. The impact of the COVID-19 pandemic is worse than any crisis we've faced in the past, worse than the financial situation in the `70s and early `80s, worse than the aftermath of 9/11, worse

Joint Hearing Impact of COVID-19 on MTA, 8-25-20

than Hurricane Sandy and the Great Recession of 2008-2009. There was no MTA back then but worse, too, than the Great Depression.

We project aggregate budget deficits of $16 billion through 2024. 2020 losses are greater than that of 37 of 39 states surveyed in a survey for 2020. And 35 of 39 surveyed states in 2021. Today, the MTA is losing about $200 million a week in revenues from losses in fares, toll subsidies and COVID related expenses.

Our sole focus now is on survival. How to reduce costs, maintain service and minimize reductions in force while protecting the capital program. We're doing everything we can to cut down on nonessential spending, we are on track to achieve annual recurring savings of $3.5 billion by 2020. And we've renewed the need for transformation. We are already started streamlining operations through consolidation and reduction of primarily 1,000 administrative positions, mostly through attrition.

Outside of federal funding none of our options are good. We'll be discussing the

following options with our board tomorrow, as we have in the past two months. No resolution will be tabled tomorrow nor will any vote be taken. Fiscal calamity may force us to take draconian actions. First wage freezes, second fare and toll hikes above those planned, third, reductions in service and reductions in workforce as a last resort. The capital plan, as most of you know, is already on pause. Gutting it completely might provide short-term relief but with a devastating long-term impact perpetuating cycles of disinvestment and inequity in communities not served by the existing system.

We will be forced to sacrifice if we don't get federal funding projects, large and small, that each of you have advocated on behalf of your constituents. That includes re-signaling subways, ADA accessibility projects, vital state of good repair work and mega projects like Second Avenue subway phase two, which would extend the Second Avenue subway into 125th Street in Harlem and Penn Station access, which would include the building of four new stations in the Bronx.

The impact of gutting the capital plan would be felt not only in the New York City region, but statewide. As you all know, and I know this is important to each of you, including Senator Kennedy, the MTA works with vendors all over the state, Kawasaki in Yonkers, Provost in Plattsburgh, Cubic in Buffalo, J-Track in Senator Comrie's district in Queens.

Borrowing to pay operating expenses might keep the lights on at a high cost but brings no tangible benefit. As you know, our credit rating has been downgraded four times since the pandemic, making it more expensive to borrow.

Last week, the MTA sold $450 million in notes through the Federal Reserve, only the second public entity to do so after the state of Illinois. The MTA accessed the municipal liquidity facility when public market demanded substantially higher rate of interest.

But let me conclude by saying, underlining the desperate need for federal assistance. The U.S. Senate must act now and

Joint Hearing Impact of COVID-19 on MTA, 8-25-20

allocate and additional $12 billion to the MTA immediately for operating expenses this year, the remainder of 2020, and next year. The latest Republican proposal shamefully ignored the needs of mass transit nationwide. CARES Act funding for the MTA was exhausted on July 24th, and frankly, we can't wait any longer for additional help.

You all know that the MTA is the lifeblood of New York. No economic recovery and job recovery without a strong MTA is possible. The next round of COVID relief bill must include $12 billion for the MTA to help us get through the remainder of this year and 2021. I'll end where I began.

The survival of public transportation in New York and millions of jobs is squarely in the hands of the federal government. Continued federal indifference and inertia will exact a heavy toll in human terms. The decline in ridership on subways and beyond caused by COVID-19 dwarfs the damage done by the Great Depression. It is past time for the federal government to act on an emergency basis to keep

the subways, buses, paratransit vehicles, commuter rails and bridges and tunnels running. Thank you and we welcome your questions.

ASSEMBLY MEMBER PAULIN: Thank you ve much. It certainly sounds as worse as we had anticipated. I have several questions but I know there's two senators and me. So why don't I turn it back over to the senate for their questions and then I will go since I went first. Each chair has five minutes for their questions and then members have three minutes each, for those members who were not on the pre-call. And I know that since I made the first announcement, Rebecca Seawright and Bobby Carroll joined us. So with that, Senator Kennedy, Senator Comrie, who wants to go first.

SENATOR COMRIE: I traditionally wait until after the members ask questions to ask mine. I was going to say that we've been joined by Senator Luis Sepulveda and I believe that was it that just joined us. So, I will defer to the members to ask their questions first. Or Senator Kennedy do you want to ask questions first?

SENATOR KENNEDY: Sure, look, I'll get the conversation started here. I want to talk a little bit about, and first of all thank you Chairman Foye and your team for being here today for participating and for your leadership throughout this entire crisis and beyond.

Overnight subway service was suspended from 1:00 a.m. to 5:00 a.m. for system cleaning. That seems to be a major point of contention among the ridership. Can you talk a little bit about your process moving forward? I know some of my colleagues even have legislation to rectify that timing to make sure that the system continues to function into the future for our 24/7 as it always has, if you could speak to that, please.

MR. FOYE: Sure, Chairman Kennedy happy to do that. I don't accept the premise of the advocates actually for a couple of reasons, right. We're carrying on the subways, a million three, a million four riders a day. The number and every customer is important and deserves first class service. The number of customers

carried in the 1:00 a.m. to 5:00 a.m. period is about one percent number, it varies in a ten to 15,000 number, but approximately one percent of our riders.

And we're inconveniencing those riders, we recognize but we have dramatically increased the bus service available to those customers. The reason we are inconveniencing those customers is really twofold. One is in order for New York City transit teams led by Sarah Feinberg to be able to disinfect every station and every subway car multiple times a day. And that is a public health essential action. It also reassures our customers, and I've reported the statistics in my opening remarks, that 70 percent of those customers have reported that they've never seen the subways or stations or cars as clean as they are today. That is important.

And obviously, going forward given our financial situation, we're focused on the financial side. So I don't accept the premise of the riders and I think the 1:00 a.m. to 5:00 a.m. closure, by enabling New York City transit teams

and TWU personnel to disinfect the stations benefits every customer.

SENATOR KENNEDY: Thank you. Do you expect that overnight service to return? And when?

MR. FOYE: Chair Kennedy, as we've said many times, we will continue disinfecting while the pandemic continues. I'll also say that we are preparing and have been for some months for a second wave that we hope does not come. And we're rooting for an early end to the pandemic and we'll rely on public health officials for that determination.

SENATOR KENNEDY: Thank you. We've heard some concerns about, from particularly from the Metro-North employees about the level of service being a little over 60 percent, which has caused a decrease in the ability for them to properly social distance. Can you speak to that? And what equation is used for that service and what we can do to make sure that number one, the proper service is provided and number two, those that do use the service are able to maintain social

distancing and other precautions?

MR. FOYE: Senator Kennedy, Chair Kennedy, I'm going to disagree with the premise question again, with all due respect, and I realize it's a question coming from Metro-North union officials and we're respectful of that.

The thing we have to take into account is Metro-North is carrying 17 percent of pre-pandemic passenger volumes. At 65, percent one could argue we're providing more service than is necessary A, and B, more service than we can provide.

As I mentioned, one of the alternatives that, and it's not just the commuter rails, but we're going to have to look at the entire agency if we don't get the federal funding, $12 billion for the remainder of the year 2020 and through 2021, we're going to have to look at service reductions and reductions in workforce. That is not something that we want to do. Those are last resort actions. But I think given the ridership on Metro-North, which has been stubbornly stuck at 17 percent for days and weeks now, I think

we're providing sufficient service.

The other thing I will say is President Cathy Rinaldi, the president of Metro-North has been vigilant in looking for overcrowding situations. The service has been tweaked in cases, but given 17 percent ridership levels compared to pre-pandemic levels, we believe we're providing sufficient service on both the Long Island Rail Road and Metro-North.

I ride the Long Island Rail Road daily and I can report, as Cathy and her team have reported with respect to Metro-North, there is, I haven't seen frankly crowding on any Long Island Rail Road train. I don't ride every branch. I ride the Port Washington branch, as I did this morning, took the 6:45 out of Port Washington and I believe we're providing an appropriate level of service.

SENATOR KENNEDY: Thank you. I see my time is up. I just want two things, one clarify that was a concern from the Metro-North employees not LIRR. But aside from that, I also want to reiterate what you said at the top of your

comments, and again, thank you and your team for your leadership. But the federal government has to come through and help us here. And without that, we're going to be in a world of pain that none of us want to see and we just have to keep our eye on the ball and continue to focus and pressure the federal government to do the right thing by the people of New York and quite frankly, the nation. Again, thank you.

MR. FOYE: Thank you, Chairman.

ASSEMBLY MEMBER PAULIN: Thank you. I think I will follow the lead of my fellow corps chair and let the members speak first and then I'll speak at the end of that, on the Assembly side. The first Assembly speaker is Bobby Carroll.

ASSEMBLY MEMBER ROBERT CARROLL: you, Chair Paulin and good morning Chair Foye. You know we've been waiting a long time for the federal government. We've been playing this game since March, asking desperately for the federal government to help New York in all of its dire financial needs and there have been some

successes early on, but very few recently.

Are there any other avenues that you've discussed with the MTA board or others about raising the requisite revenue so that we do not have an operating death spiral? My fear is that you know if we are trying to revive New York's economy or get people back to school, if suddenly the MTA again reduces service further on subway or bus lines like you suggested, it will become so, so much harder to pull ourselves out of this rut.

MR. FOYE: So, assembly member, the COVID-19 pandemic is an international issue. It's a national issue. It requires a national solution. The federal government, as you suggested, did provide $3.9 billion in the CARES Act. That was important funding we exhausted that in the middle of July. We were the first public transit agency in the country to exhaust its funding, because our revenue declines, tolls and fares and subsidy payments have been so, so depressed.

Given the financial situation of the

state and I will defer to all of you as legislators and policymakers at the state level, but given the financial situation of the state and the city, both of which are appropriately asking for help from the federal government too, it would be -- first, we welcome any revenue from any source.

But it would be inappropriate and I believe under the circumstances to expect the state or the city to come to the MTA's rescue and the only level of government that has the capacity to do that is the federal government as it did on the first round of CARES funding. And it is absolutely essential that we get $12 billion of funding.

I want to also just briefly echo Chair Kennedy's remark, which is that the reason to do this is obviously to save the New York City, to save the MTA. But it's also in the national interest to do this given so much of the nation's gross domestic product is generated here in the region, nearly not quite ten percent of that.

ASSEMBLY MEMBER CARROLL: Before my

runs out, Chair Foye, I want to make the point that you know, that there is a federal election happening in November. There may be big changes in D.C. come January. But that's a long time for New Yorkers who are holding on to their businesses, their homes, their schools to be waiting.

What can we do now either by looking at the capital budget, looking at new revenue sources, so that we can get ourselves past this period? Because I don't think you are going to see political changes or choices being made between August 25th and November 4th. And that's a long time.

ASSEMBLY MEMBER PAULIN: Thank you assembly member. Thank you.

MR. FOYE: So, assembly member, here is what I suggest first. You all are in a better position to predict the national election than I. I defer to you on that. Here's what the MTA is doing. First, the capital plan regrettably, the new capital plan, $51.5 billion is on pause. We're not happy about that. The capital plan

Joint Hearing Impact of COVID-19 on MTA, 8-25-20

includes projects that every one of you advocated for on behalf of your constituents. And if you're outside the MTA region, it includes projects that will benefit manufacturing and fabrication plants literally in every region of the state.

What the MTA is doing is reducing costs. In 2021 our financial plan includes a reduction of $800 million. Working with the agency presidents, we've identified well over $500 million of non-personnel, non-service reduction costs in 2021. And that's thank to Sarah Feinberg and Phil Eng and Cathy Rinaldi and Dannie DeCrescenzo and Craig Cipriano.

I believe there's more to come. But there is a limit to how much expense we can take out. And the only way that we can bridge this gap is with $12 billion of aid from the federal government period.

ASSEMBLY MEMBER PAULIN: Thank you. Senate.

SENATOR COMRIE: We've been joined by Senator Brad Hoylman and Senator Shelly Ramos. I believe the first questioner on the list,

Joint Hearing Impact of COVID-19 on MTA, 8-25-20

Stanley, take it away, please.

SENATE COUNSEL: Senator Todd Kaminsky for three minutes.

SENATOR COMRIE: Thank you.

SENATOR TOOD KAMINSKY: Hi, thank you much chairs and thank you so much, Chairman Foye. Can you please tell us how we are doing on the timetables for the third, excuse me, for East Side access and the Belmont station?

MR. FOYE: Sure, let me call on my colleague, Janno Lieber, senator.

SENATOR KAMINSKY: Thank you.

MR. JANNO LIEBER, CHIEF DEVELOPMENT OFFICER, PRESIDENT, METROPOLITAN TRANSPORTATION AUTHORITY CONSTRUCTION & DEVELOPMENT: Hi, Senator Kaminsky. We are on schedule for both projects and we're on schedule for a third track which I know is something that you have been involved with over the years, the Long Island Rail Road expansion project, yesterday we opened early the grade crossing at New Hyde Park Road. So we continue to remain on schedule for all of those major projects at this time.

SENATOR KAMINSKY: Okay. Thank you. Chairman Foye, I hear anecdotally from my constituents that they've had some unpleasant experiences at rush hour, taking the train back and forth with non-mask compliance and it's made them not want to take the train again. Can you talk about any stepped up efforts you have to make sure that people are wearing masks and that it's properly enforced.

MR. FOYE: Senator, great issue. As I mentioned before, the single most important thing that any of us can do is wearing a mask and that's especially true on public transit and it's the law of the State of New York. Here's what we've been doing. We've been handing out masks on subways, buses, Long Island Rail Road and Metro-North. We're going to continue to do that. We, Long Island Rail Road personnel and MTA police have masks and will hand them out.

We are going to do everything we can and senator, I will tell you, as I mentioned before I'm riding the, in my case, the Port Washington branch every day. And I will report and this is

not scientific but every Long Island Rail Road employee I encounter has got a mask on without exception. And my anecdotal count is about 95 percent of the customers that I see riding the Port Washington line in the morning and the evening have masks.

Our goal is universal mask compliance, that's the law because of the executive order that the governor required. We've also, senator, as you know, been robustly and systemically and repetitively communicating the importance of wearing a mask on Long Island Rail Road cars as an announcement on every train. There's signage, there's signage in Penn Station, there's signage at Jamaica, there's signage at Atlantic terminal. We're going to keep it up and try to get mask compliance to a universal level, which I realize is probably unrealistic, but I think we're at a very high level and we want to continue that.

SENATOR KAMINSKY: Thank you. And I'll just end by saying that I don't have any illusions as to the financial predicament that your agency's in but I think raising the fares on

hard-working Long Islanders who already find it very unaffordable to live here will have the opposite impact in terms of driving up ridership. So I just want to leave you with that and thank you for the work you've done.

MR. FOYE: Thank you, senator and I will say no one wants to raise fares on anybody. We may not have a choice and we're acutely aware that many of our customers are experiencing real financial challenges and difficulties and no one looks forward to that. Thank you, senator.

ASSEMBLY MEMBER PAULIN: Thank you or the assembly side, Assembly Member Steve Otis.

ASSEMBLY MEMBER STEVEN OTIS: Chairman Foye. Thank you and thank you for your team and your hard work in this crisis. In your opening testimony, you rightly said that the survival of mass transit in New York State is at stake here. But I think survival of mass transit around the country is also at stake. And I'm curious as to what information you have from your colleagues in this industry running public systems around the country are having and how are

they communicating with their representatives in Washington to try and get us to a mass transit solution out of the federal government and that funding that we so desperately need?

MR. FOYE: So, Assembly Member Otis, that's an excellent question. We've been in regular contact with our colleagues across the country. As a matter of fact, we organized two or three webinars with colleagues from east and west and north and south, red states and blue states. We did one of those webinars together with Senator Schumer and John Samuelson, the international president of the TWU. We organized others with leaders from Los Angeles, New Orleans, Philadelphia, Austin, agencies all over the country, again red states and blue states. We work with APTA, which is the American Public Transit Association, the trade association, if you will.

And we have been comparing notes with our colleagues across the country in terms of the latest in cleaning and disinfecting, customer behavior, et cetera. And that input I think has

been helpful to us. And without being institutionally modest, I think the MTA has led the way on cleaning and disinfecting and frankly advocacy. And I think each of us around the table here, the MTA senior team has been involved in that advocacy and working with our colleagues all over the country.

We've also enlisted the help of the business community here in New York, the real estate community here in New York. Obviously, our labor partners, chambers of commerce of each of the five boroughs and done calls, webinars et cetera with business groups throughout the state.

ASSEMBLY MEMBER OTIS: Thank you. And you know, everyone in state government and legislature and the governor, we're all pushing as well. We need to get that federal money. There really is no other solution.

MR. FOYE: Amen.

ASSEMBLY MEMBER PAULIN: Senate.

SENATE COUNSEL: Senator Anna Kaplan for three minutes.

SENATOR ANNA KAPLAN: Good morning,

chairman, and good morning, Chairman Foye. Thank you so much for coming in today and testifying. I'm sure you've seen the Citizens Budget Commission Report, and yesterday's Newsday cover story that was very critical of the MTA's plan to add 776 positions and $50 million in overtime during what perhaps is the worst fiscal crisis in the agency's history, as you have mentioned this morning. I share the same sentiment concerning about the increase of payroll costs at a time when we need to be delivering more for less.

I'm certainly also very cautious and very concerned about supporting any increase in spending right now if it means we need to raise fares on Long Island commuters. That is simply not something we can bear right now. We need to exhaust every alternative path before resorting to fare hikes.

So my question is can you explain why this is a good decision right now and can you explain to me why this is a good decision right now, and can you explain to me the net impact of the management headcount and the labor headcount

at the MTA as a result of this hiring?

MR. FOYE: Yeah, the short answer senator, is that the newspaper report was wrong. We are not planning to hire that number of people. There's a hiring freeze in effect. The MTA head count is over 2,000 people fewer than it was a year or so ago. We are engaged in an effort right now to eliminate a 1,000 management, primarily management positions.

With respect to the Long Island Rail Road, we have deferred hiring for East Side access. We had in the financial plan and in the Long Island Rail Road budget, there were hires in 2020 and 2021, we have delayed those. So the report of the CBC and the newspaper report were inaccurate and we are very focused on reducing headcount further.

With respect to a fare increase, I agree with you. Obviously, you know, Port Washington and the area as well as I do. A lot of our neighbors and friends in that area, including the rest of Long Island and the rest of the MTA region are suffering financially. A fare increase

is the last thing they need. It's also the last thing that we want to do.

SENATOR KAPLAN: Thank you. I also share the same sentiment that Senator Kaminsky talked about. I have been still receiving a lot of e-mails and calls from my constituents who take the ride and are telling me that they feel uncomfortable, because there are people who are in the trains and not wearing masks and no one is telling them anything.

MR. FOYE: Senator, I understand. Our goal is to get to 100 percent mask compliance. We're clearly not there. You know, as someone who rides the Long Island Rail Road every weekday and I'm in Penn Station in the morning and in the evening. Mask compliance is high. It is not universal and we're going to do everything we can on the Long Island Rail Road and Metro-North and subways and buses to get it as high as we can. And that is an ongoing effort. But right, now we're at a very high level.

Public health officials report that at a 50 or 60 percent mask compliance level and we're

way above that on everyone of our agencies. There are substantial public health benefits and the mask message is one we will continue to drive forward.

SENATOR KAPLAN: Thank you.

ASSEMBLY MEMBER PAULIN: Thank you. next assembly speaker is Ron Kim.

ASSEMBLY MEMBER RON KIM: Thank you Chairwoman Paulin and thank you Chair Foye and your team for your testimony today. How many MTA workers died from COVID-19?

MR. FOYE: One hundred and thirty-one.

ASSEMBLY MEMBER KIM: One hundred and thirty-one. And do you know how many workers were infected from COVID?

MR. FOYE: Assembly member give me a second and I'll come back to you with that. I don't have it at my fingertips.

ASSEMBLY MEMBER KIM: Okay. That's fi Even a rough ballpark of infection rate among the workers would be helpful. Did the MTA conduct any kind of contact tracing for those workers at the time?

MR. FOYE: Well, the answer is we're not a public health agency or a hospital. Our office of health services worked with hospitals and the city and New York on contact tracing. Where clusters were identified, employees were directed to go home, to see their physician and to call into OHS and that was the practice from the earliest days of the pandemic.

ASSEMBLY MEMBER KIM: Understood. Do we have a better sense of what caused the spread and infection rate? And the ultimate question is, are we in a better place to provide PPE and prevent the spread among the workers?

MR. FOYE: Well, assembly member, we never had a shortage of PPE. I recited the numbers in terms of millions of masks, millions of pairs of gloves and hundreds of thousands of gallons of disinfectant and hand sanitizer. We are hoping there isn't a second wave, but if there is a second wave we have sufficient inventories of PPE for the present and for going forward and orders from reputable suppliers for all the PPE that we need including, being able to

provide it to customers. I ought to note that the city and the state of New York have donated a couple million masks to the MTA, both the city and state for distribution to customers.

ASSEMBLY MEMBER KIM: Thank you. Thank you. Just to transition to the finances briefly, I appreciate the external pressures that you're putting on the federal government and rightfully, you should be doing that until we get every cent that we deserve from federal government.

Have you looked into borrowing from the Federal Reserve directly? And have you interacted or had discussion within the Federal Reserve in exploring the municipal liquidity facility which was created for the first time this year to for localities in the states to engage directly with the fed?

MR. FOYE: So, assembly member, that's an excellent question and I will ask our CFO to tell you what we did last week.

MR. BOB FORAN, CHIEF FINANCIAL OFFICER, METROPOLITAN TRANSPORTATION AUTHORITY:

week we borrowed $451 million from the municipal

liquidity facility at the Federal Reserve. We received an attractive rate for a three-year obligation of 1.92 percent. We did this in conjunction with a competitive offering to the bond market. Rates there came in significantly higher and as we had arranged ahead of time with the bidders and with the Federal Reserve, we reserved the right to reject higher bids and go directly to the Federal Reserve.

So, again, we did borrow last week a three-year obligation at 1.92 percent and saved 85 basis points, which over the three-year life translates into almost $12 million of lower debt service.

ASSEMBLY MEMBER KIM: Thank you.

MR. FORAN: You're welcome.

MR. FOYE: Assembly member, I'll report that 4,224 MTA employees across the agency tested positive and more than 10,500 who were out in quarantine have returned to work, which is great news.

ASSEMBLY MEMBER PAULIN: Thank you very much. Senate.

Joint Hearing Impact of COVID-19 on MTA, 8-25-20

SENATE COUNSEL: Senator Tom O'Mara for three minutes.

SENATOR TOM O'MARA: There we go. Good morning Mr. Foye, thank you for testifying here with us today. I do also want to commend you on keeping the train on the track, so to speak, during this pandemic and the amazing efforts that have gone into making that happen from the disinfecting the cars and providing PPE to everybody. I do applaud your efforts. And I certainly, as an upstate member of the legislature, fully understand the importance of the MTA to the New York City metropolitan region as well as the economy of New York State as a whole. In addition to the great jobs that we generate from MTA contracts.

And so I am supportive of and in urging the federal congress to come together and provide needed relief. I think we all need to keep in mind that this money is not just sitting in the bank any money that is going to come is borrowed money. It adds to our debt, our national debt. And we need to move forward as wisely as we can.

But I fully understand the need for assistance to New York City MTA as well as I'm sure every metropolitan transportation organization throughout the country.

With regards to the capital plan and specifically the upstate manufacturers that provide equipment services to the MTA, there has been a pending MTA contract entitled R262 for more rail cars, of which manufacturers in my district are in play for, namely Alstom in Hornell, who does great work. But also we have a small Bombardier plant in Steuben County and CAF in Chemung County. So these provide tremendous jobs for these contracts.

Can you tell me where your priorities are in the capital plan right now as it's on pause? What your priorities will be when you're able to come out of the pause and where R262 stands in that process?

MR. FOYE: So, senator, let me start and then I'll turn it over to Janno Lieber in a second. First, thank you on behalf of the MTA workforce for your kind words about the work

being done during the pandemic. We're very aware of the importance of the MTA capital plan to the entire State of New York, especially upstate including senator in your district and Senator Kennedy's district and obviously the North Country et cetera. And we're very aware of the concentration of rail car manufacturing or fabrication in your district in particular.

Obviously we're not going to talk about pending procurement, but given that the fact that the $51.5 billion capital plan is on pause right now, that is not good for any manufacturer in the State of New York or that does business for the MTA, and is another critical reason why the federal funding that I described is essential. Janno.

MR. LIEBER: Just briefly, in response, the capital program, the 2024 program which includes those rail cars is on pause right now because of the financial issues you have been hearing about. That represents, the model that you referred to, is about half of the rail car procurement projected for subway car procurement

projected for the 2020-24 capital program. So, if we are able to resume it at some time, and it all depends on federal funding, as we have said again and again, but obviously that would be a significant consideration if the capital program is able ever to resume, if the problems are worked out.

In the meantime we are meeting with Alstom, to get a sense of their plans for all of their manufacturing facilities and their manufacturing capacity, both the Alstom plants you referred to, but also the Bombardier plants that they're taking over as part of their absorption of the Bombardier rail operation. So we're using the time to become more educated on that partnership, sir.

SENATOR O'MARA: Thank you.

ASSEMBLY MEMBER PAULIN: Senate? Oh, Assembly, sorry. The next speaker on the Assembly side is Phil Palmesano.

ASSEMBLY MEMBER PHIL PALMESANO: good morning. Good morning Mr. Chairman. Thank you and Senator O'Mara covered some of the things

I might have talked about, given we're from the same region in upstate New York and the background we have with our upstate rail manufacturers. So, a couple questions on a different area though, if I could.

One was more specific, if I could ask this question, just out of curiosity. I know on August 18th, the MTA announced that they're going to be resuming front door entry to the buses after five months of only having rear entry. And I know you touched on this a little bit, but how are you going to keep the bus drivers safe once you start charging the fare and the passengers who are currently entering in the back will be entering in the front, where they don't have interaction with the passengers. What steps will be taken to make sure the bus drivers are safe?

MR. FOYE: I'm going to ask my colleague Sarah Feinberg, president of the New York City Transit.

MS. SARAH FEINBERG, INTERIM PRESIDENT, NEW YORK CITY TRANSIT: Good morning, thank you for the question. So, to answer your question,

I'm actually very proud of the New York City transit bus team. They have come up with an innovative barrier that is being installed on our buses now. It is a hard plastic barrier that basically separates the operator from riders who will be boarding in the front of the bus. And obviously those barriers take some time to install. And so, in the meantime we have temporary barriers that are in place between the operator and the riders.

And we've also taken a couple of additional steps. We've moved the white line that you may be familiar with that separates riders from the operator back a bit as well, and obviously continuing our disinfection program.

ASSEMBLY MEMBER PALMESANO: Thank

have one other question I wanted to ask. Does the MTA currently have emergency preparedness plan for natural disasters, pandemics, right now? Are you required to have one or do you have one in place?

MR. FOYE: Short answer, yes.

ASSEMBLY MEMBER PALMESANO: And a

as the protocols that went on with this pandemic, so those plans that you implemented and followed throughout this situation?

MR. FOYE: I would say we've followed, implemented and supplemented them and changed and ramped up as we went forward, especially as the science changed. But there was a pandemic plan that was done in 2017, if I recall correctly. The other thing that we are doing as the infection rate has declined in New York State, we're taking advantage of the situation to put in place a plan for a second wave, which we hope and pray does not happen here in New York. But the answer is yes. We have detailed plans on each of those scenarios.

ASSEMBLY MEMBER PALMESANO: Thank y

And then one quick question, if I may, I know in the capital plan --

MODERATOR: I'm sorry assembly member your time is up.

ASSEMBLY MEMBER PAULIN: Senate.

SENATE COUNSEL: Senator John Liu for three minutes.

SENATOR KENNEDY: Senator Liu, we can't hear you.

SENATOR JOHN LIU: All right thank you very much to our co-chairs for holding this hearing. Pat, thank you for the work you have been doing. It certainly has not been easy. And we faced severe deficits in city government and state government and certainly looking for the federal government to step up. Now, Pat, I'm just trying to, I understand that the MTA needs help. We all need the federal government to understand that this pandemic is a national emergency that requires a national response as we stated.

But I'm trying to understand what you're asking for, right. Because you've gotten already $4 billion, not you the MTA has already gotten $3.9 billion from the federal government in the first act of CARES Act. And you're saying that the MTA needs another $12 billion on top of that? I mean the entire State of New York is facing a revenue shortfall of 14 billion, the City of New York depending who you're asking and when you're asking, it ranges anywhere from three to $9

Joint Hearing Impact of COVID-19 on MTA, 8-25-20

billion but the MTA needs another $12 billion?

MR. FOYE: Senator, short answer is yes. To be clear, that's for the remainder of 2020 and for the remainder of '21, and for the full year 21. The decline in tolls and fares, which is about 50 percent of our revenue and the decline in subsidies that the legislature has put in place have been so dramatic and so precipitous, but that's the amount that we need and Bob would you add anything?

MR. FORAN: It's just that. That again, because we're so heavily dependent here at the MTA on fares and tolls, more so than any other transit property, when you have such a precipitous drop in ridership, it hits hard.

SENATOR LIU: This is a two-year -- so the $12 billion is basically a two-year shortfall is what you are saying?

MR. FORAN: That's right. And it --

SENATOR LIU: You're saying for the rest of 2020 and 2021?

MR. FORAN: That is correct, sir.

SENATOR LIU: Are you saying that we're

Joint Hearing Impact of COVID-19 on MTA, 8-25-20

not going to get back to normal before December 2021 or January 2022?

MR. FORAN: The projections --

SENATOR LIU: I mean that's what the $12 million will be on.

MR. FORAN: -- the projections that we have, and these are based on studies that were done by McKenzie in the springtime, updated in June, that we are continuing to monitor, because again, nobody knows what the projections really will be. But they are projecting that toll revenues will not get back to close to pre-pandemic until the end of '22 and that fares will not get back to close to pre-pandemic levels until beyond the first quarter of 2023. And it's projecting, and we're looking at it, that the subsidies, dedicated taxes and such, will be weak and below prior levels going into `23 and `24. This is just an extended period.

SENATOR LIU: Okay. Well, I mean, I don't know is McKenzie --

MODERATOR: Sorry, senator your time is up.

Joint Hearing Impact of COVID-19 on MTA, 8-25-20

SENATOR LIU: -- [unintelligible] [01:05:53] down also, but the MTA's estimates seem a little bit --

MODERATOR: Senator, I'm sorry, your question time is up.

SENATOR LIU: Thank you, Ashley.

MODERATOR: You're welcome.

ASSEMBLY MEMBER PAULIN: So I just wa to also announce that we've been joined by Yuh-Line Niou. And we have no other assembly speakers, so I will take the liberty to ask my questions. The first question I have is the payroll mobility tax obligation resolution to establish a new bond credit, the PMT was submitted to the CPRB earlier this year and subsequently withdrawn. Would approval of this resolution be helpful and how much money are we talking about?

MR. FORAN: The Payroll Mobility Tax Resolution, we believe will be a high quality credit in the marketplace, a AA perhaps a very strong AA, versus the transportation revenue bond that we have now, which has been the workhorse

for years. It's what we call the fare box bonds. That is what has been downgraded recently, now to the Triple B plus level. Having a high quality credit would be helpful for us and would reduce costs significantly. We believe that it would easily save us well over 1.5 percentage points.

ASSEMBLY MEMBER PAULIN: Thank you. T capital projects I know we spent time talking about them. Is there any anticipation of moving some of the 2024 capital projects into the earlier plan and moving the others out, as we did see for cars to LIRR, just for projects that are safety oriented?

MR. LIEBER: Well, right now, what we are doing is we have the capital, all of the projects that are ongoing right now are moving forward. And I want to convey to the committees that we kept 500 projects going right through COVID and many have been able to be delivered early because of the additional access to track and outages and so on. So we took advantage of the time. Oh, yeah, very low infection rate of our workforce, so that is a success story that we

can build on.

But right now, what we're doing is we're moving forward with the existing projects and the only projects, chair that are going forward in the '20 to '24 program is in-house work and federally funded work, use it or lose it money that comes from the feds. Otherwise, the evaluation of how to re-jigger things and what might be capital program amendments awaits the resolution of our urgent ask for $12 billion. That's really what we need to know before we start to evaluate how we're going to delay or adjust or retime projects. But the emphasis that we're starting to focus on is making sure that we maintain state of good repair and safety, to your original point.

ASSEMBLY MEMBER PAULIN: Thank you. M question, the MTA's July financial plan doesn't assume any reduction in subsidies from New York City. How much revenue do we get from New York City? And what's our risk there?

MR. FORAN: We received what we have in the financial plan is $1.465 billion, so almost a

billion-and-a-half coming from the city. About 560 million of that is subsidies for MTA bus, SIRTOA, and then also station maintenance. We received a little over 500 million in 18B money, the new internet marketplace sales tax and paratransit subsidies. We receive about $385 million of urban tax, and then there's the school aid and things like that, elderly subsidies. Right now, we have no indication that the city is not going to be providing the funds that we are looking for.

ASSEMBLY MEMBER PAULIN: Do we anticipate the lower estimate from some of the tax based revenue?

MR. FORAN: Yes. We went through and looked at our taxes, and so both taxes coming from the state and taxes coming from the city were part of our reduction through the McKenzie report in lower revenues coming in.

ASSEMBLY MEMBER PAULIN: And I do hav one last question. Judy griffin, who could not be at the hearing, asked me to ask a question on her behalf, so I'm going to do that. She has two and

I will -- the other, the first question that I won't ask pertains to the 2012 or as you say now, the 2017 former pandemic plans, I wonder if we can get a copy of that, so she can see what that look like. Her question relates to workers acting as a guide to less populated cars. As some of the other members indicate, I'm sure this is true on the subways too. I'm more familiar with Metro-North but the LIRR Metro-North, clearly from this hearing and from my own experience are we have a lot of riders concerned with masks and also populated cars. So could there be an effort on the part of the workers to help riders to move and indicate where they might move to less populated and perhaps more obliging mask wearing ridership?

MR. FOYE: So, Chair Paulin, we will get that document that your colleague requested. The answer to her question is yes, and is actually an app developed by the Long Island Rail Road which indicates how crowded train cars are. It works effectively. I check it most mornings. Metro-North is working to develop one as well. And

Joint Hearing Impact of COVID-19 on MTA, 8-25-20

Sarah, do you want to talk about buses for a second?

MS. FEINBERG: Sure, we are, we have an app that I'm blanking on the name of the tool right now, but it's on, it replies to 40 percent of our buses and for those riders who are standing at a bus stop waiting for a bus and trying to make a determination about which bus to choose, we are providing information how busy and how many riders are on that bus at what capacity it's functioning at. So it's not everywhere yet. We would love for it to be everywhere. And I think it will be in the coming years if we can get the money, and if the capital program can get restarted. But eventually, that will give riders all the information they need about the capacity of the approaching, all of the approaching buses.

ASSEMBLY MEMBER PAULIN: Thank you. I [unintelligible] [01:13:08].

MR. FOYE: And Chair Paulin, for your colleague from Long Island, from the South Shore of Long Island, the Long Island Rail Road app is called Long Island Rail Road train time,

Joint Hearing Impact of COVID-19 on MTA, 8-25-20

developed by Phil Eng and his talented team at the Long Island Rail Road and that should be helpful to her and her constituents.

ASSEMBLY MEMBER PAULIN: Thank you. I now turn it back over to the Senate for the remainder of their questioners.

SENATOR O'MARA: If I could interrupt? This is Senator O'Mara. If I could interrupt for one moment, my understanding is that Senator Mike razz Ranzenhofer is in the waiting room trying to get in for some time now. As the ranker on corporations, I'd like some effort to be made to get him into our group, please.

SENATE COUNSEL: Yes, Senator O'Mara, our tech team is working with him, now. Thank you. Senator Sepulveda for three minutes.

SENATOR SEPULVEDA: Hi everyone. Can you hear me?

SENATOR KENNEDY: Yes, senator.

SENATOR SEPULVEDA: I'm sorry about the virtual [unintelligible] [01:14:05] and I am on my way to do a PPE and a food drive, so forgive me for not being in a better location. But I have

Joint Hearing Impact of COVID-19 on MTA, 8-25-20

two questions and firstly, thank you commissioner and all your staff that are participating in today's hearing.

Two questions, I have one of the busiest train stations in the entire city of New York, the Parkchester Train Station I believe is the second busiest station after Yankee Stadium. I have a large disabled population. And my first question is I know we have some disability funding and elevators and so forth making the system more ADA accessible for a plan that goes up to 2034, but I want to make sure whether that plan is going to continue, what we're doing today for people that are disabled to get access and be able to enjoy the system. And then my second question is what are the metrics established to restart service after 1:00 o'clock in the morning for the city?

MR. LIEBER: Janno Lieber of MTA construction and development, senator. The 2020-`24 program, which was approved at the beginning of the year contains a historic commitment to make 70 stations ADA accessible and with $5

billion for that purpose, it's literally double all the money that has been spent to create ADA accessibility in the MTA system since ADA was passed, so it was a huge commitment.

Unfortunately like everything we are talking about in the new capital program, it's being paused because of the uncertainty about federal funding, the need for $12 billion in federal funding to help solve our fiscal crisis. That said, we have advanced aggressively, ADA projects wherever possible. I've opened four new stations just in the last month, completing work there. We have 10 ADA stations in our acceleration program. So we're really prioritizing ADA within the constraints created by this incredible fiscal crisis.

MR. FOYE: Senator, with respect to the 1:00 a.m. to 5:00 a.m. closures, those were put in place on May 6th, the closure was put in place on May 6th to allow every subway station and subway car to be disinfected. The closure has played a key role in achieving those goals, and as long as the pandemic continues the closure

will continue as well. And I believe you're all aware that we've added a substantial, New York City Transit has added a substantial amount of additional bus service new routes included to serve customers during that time period.

SENATOR SEPULVEDA: All right, thank you so much.

SENATE COUNSEL: Senator Brad Hoylman for three minutes.

SENATOR HOYLMAN: Thank you. Thank you very much. Good to see you, chairman and your colleagues. I completely appreciate the enormous deficit that you're grappling with. I did want to ask about should we have a change in a federal administration in January, how quickly will congestion pricing be online to help alleviate some of that deficit? And how does it change your forecast? I don't know if your $16 billion deficit includes a plan for congestion pricing?

MR. FOYE: So, senator that's an excellent question. I have to start with the following obligation, right, which is that under state law, the proceeds of central business

district tolling are dedicated to the capital plan, Not only are they dedicated to the capital plan, they comprise 30 percent of the funding in $52 and-a-half billion capital plan.

With respect to the question as to how quickly could central business district tolling be liberated from the hold in Washington, I believe that could happen in a fairly short period of time. The paradoxical observation I would make is that congestion pricing is being held purportedly for reasons having to do with an environmental review process. And the reason it's paradoxical to me is central business district tolling congestion pricing, whichever term you like, is a massive environmental good. It funds mass transit. It reduces congestion, it improves air quality. And it achieves goals that I think it's fair to say everybody on this hearing today believes in.

SENATOR HOYLMAN: So, could it be in place next year?

MR. FOYE: I think next year is a possibility, but certainly the hold that has

existed, senator, since April of 2019 when the legislature passed it, we had our first meeting some of you are aware, 10 or 14-days later, us being me and a team from the MTA and Commissioner Trottenberg and a team from New York City DOT and certainly a new look at it would, I believe accelerate the process greatly.

SENATOR HOYLMAN: Thank you. Second quick question, which is your deep cleaning that happens in your off hours. Are you changing your strategy, given CDC guidance or perhaps your own epidemiologists who are saying that transmission on surfaces is less of a concern than as you say, folks wearing masks? And will there be a cost savings if you did not engage in deep cleaning every night?

MS. FEINBERG: Hi, senator, it's Sarah Feinberg. Good to see you.

SENATOR HOYLMAN: Nice to see you.

MS. FEINBERG: So, to answer your question we have taken an all of the above approach to cleaning. So we've certainly focused on disinfecting the cars and stations multiple

times a day. But we've also, for months now, taken this approach that we should be focused on anything that could spread the virus. And so we've been doing work with a pilot program with UV technology that kills the virus. We've made sure that we are focused on air filtration systems and our air filters. So I am slightly hesitant to suddenly take the CDC's word on the fact that the virus is spread by aerosol as opposed to touch points, because there's a lack of trust at the moment. But that's why we've focused on all of the above. So we want to make sure that however the advice and the science changes in the coming weeks and months, we've been on it every way that we possibly can be.

SENATOR HOYLMAN: Thank you.

SENATE COUNSEL: Senator Jessica Ramos for three minutes.

SENATOR JESSICA RAMOS: Hi. Good morning.

MR. FOYE: Good morning, senator.

SENATOR RAMOS: So I have several questions, the first being I filed a FOIL request

on May 7th about the contracts awarded to private contractors who are hiring more younger immigrant workers to clean the MTA subways late at night. Is the information available as to who these private contracts are and what the contracts look like?

MR. FOYE: So, senator I wasn't aware you filed a FOIL. I don't think there's any reason that we couldn't come back to you promptly with the names of the contractors. I don't have them at my fingertips and I don't think anybody here in the room does.

SENATOR RAMOS: Okay. Thank you. and tunnel workers, I understand that over 150 of them were reassigned to offer masks and escort people off the subway for not wearing masks. Are they being used? How is that working out?

MR. FOYE: Yeah, senator, bridge and tunnel officers have been redeployed to the subways to help with this distribution of masks. I'm not aware that bridge and tunnel officers have been escorting anybody off the subway. And they have been supplementing the -- Sarah.

MS. FEINBERG: I didn't mean to interrupt. I'm sorry.

MR. FOYE: Please.

MS. FEINBERG: I just meant I'll go next. They're actually on our buses. I think they have been in our subway system but they are on our buses as well.

SENATOR RAMOS: Have any NYPD officers been instructed to carry out the same task?

MS. FEINBERG: Well, we don't instruct NYPD officers, so I would have to send you to the city for that.

SENATOR RAMOS: Any other law enforcement?

MS. FEINBERG: Well, we have MTA police who are in the system and we also have security contractors who are in the system. They're generally offering masks to anyone who doesn't have a mask available and suggesting that they go to a booth or take a mask from the mask dispensary that's on the bus.

SENATOR RAMOS: Okay. Thank you. Janno, the last time we saw each other, you said you'd

Joint Hearing Impact of COVID-19 on MTA, 8-25-20

take some steps to get rid of the premiums on contracts, and like the most troublesome we have heard from contractors being the one-sided conflict resolutions. Have you taken steps to remedy this issue?

MR. LIBER: Yes. Actually, the conflict resolution provision that you are referring to has actually been changed. And the standard forms of contract have a third party resolution process that doesn't keep, make the MTA the sole decision maker which was something that created both frustration and also cost escalation for contracts. And we're doing a lot of things that I am I've talked about to improve competition.

SENATOR RAMOS: All right, I need to stop you because I have only a few seconds and I have a question for Ms. Feinberg, which is what are you doing to fix the broken machines to refill the MTA cards? Are we going to fix them or ask people to walk to the next station forever?

MS. FEINBERG: So, if you are referring to the system wide outage that we had, I think two weekends ago now, we've continued to

investigate why that happened. It seemed to have happened after we did a software update and the MVM machines across the system were out.

More typically we have an outage because we have a machine that's been vandalized that happens dozens of times everyday but that's a one off. Sometimes we have a machine that's down. Again, it's a one off because it's a mechanical failure. So this is a constant issue that we're dealing with.

SENATOR ROMAS: Thank you.

SENATE COUNSEL: We have Senator Gounardes does he wish to be recognized, please raise your hand. Next is Senator John Liu for three minutes.

ASSEMBLY MEMBER PAULIN: I'm going to say, we're not allowing second rounds.

SENATOR COMRIE: Yes, we are. Yes, we are. And Senator, Ranzenhofer did he have any questions, he's a ranker? Did he get in?

SENATE COUNSEL: Yes, he is in. senator.

SENATOR COMRIE: Okay. Well, let's let, if he wants to ask a question he can ask. Senator

Joint Hearing Impact of COVID-19 on MTA, 8-25-20

Ranzenhofer are you there? No? All right, Senator Liu?

SENATOR LIU: I'm here. Thank you Mr. Chairman.

SENATOR COMRIE: Senator Ranzenhofer, okay, you there, do you have questions, senator?

SENATOR MICHAEL RANZENHOFER:

SENATOR COMRIE: You can go ahead now, sir.

SENATOR RANZENHOFER: Okay. Well, thanl you. Well, Mr. Foye listening to your testimony and riding from Port Washington, you talk about the rate of compliance with masks. I am very far away from the MTA system but do talk to quite a few people that live down there, and the constant complaint that I have, as was talked about Senator Kaminsky, is people that you want to ride the mass transit system are simply not doing it because they don't feel that the mask compliance is adequate and they're not going to put themselves at risk. So unless something is done along those lines, you're going to continue to have the problems that you have now. And that is

that people want to ride the system, or willing to ride the system are not going to do it because you're very lax in the way that the enforcement of the mask policy is taking place.

MR. FOYE: So, senator, empirically, the Long Island Rail Road team reports that mask compliance among employees is universal and mask compliance among customers is very high. Having said that, because masks are so important, all public health officials agree on that, A and B, because it's the law of the State of New York as a result of Governor Cuomo's executive order, we are focused on increasing mask compliance.

On the Long Island Rail Road, as at the other agencies, masks are being distributed. There are PPE vending machines in Penn Station, for instance. And the Long Island Rail Road crews have masks available to customers that don't have them.

And not empirically but anecdotally, my experience on the Long Island Rail Road talking to friends and colleagues, but more importantly, talking to Phil Eng and his team at Long Island

Rail Road, is that mask compliance, as it is on subways and buses is very high.

We are robustly and systemically and repetitively messaging that on train announcements, materials in stations, materials on Long Island Rail Road trains and our goal is to drive already high mask compliance to higher levels.

SENATOR RANZENHODER: I understand that but, simply trying to do it and then successfully doing it are two different things. I mean we also know that you're not allowed to have large gatherings and you hear reports from time to time, of young people especially, getting together in groups of 100, 200, 300, the law of the state is not you are not allowed to do it, you're not allowed to have mass gatherings, you have to be wearing masks and people don't.

The same applies to the mass transit system. Simply because it's the law, and the issue is really not with employees. The issue is with fellow passengers just not abiding by it and it makes people uncomfortable. So until you solve

that problem, notwithstanding the fact you may have a high compliance rate, until it's better, you're not going to increase the number of people that feel comfortable riding your system.

MR. FOYE: Well, senator, our goal is to drive it 100 percent. I would suggest that when you talk to your friends and colleagues on Long Island, one thing you may want to refer them to is the Long Island train time app, which does provide information on the number of passengers on a particular car, which I think may be useful information and obviously, there's [unintelligible] [01:29:49] of self-help that can be exercised here, which if you see a passenger with a mask on the first train car it's possible to move to the second and the Long Island Rail Road train app gives our customers the data and the power to do that.

SENATOR RANZENHOFER: No, I understand that and the people that I do talk to are using that and they're moving again and they're moving again and they're moving again and they're moving again. And they don't like it. But, you know,

just reporting an observation of what I'm seeing and hopefully you will take that under advisement and hope to improve it even more than where you right now. So, thank you very much.

MR. FOYE: Senator, thank you for the comments. I can assure you that mask compliance is a focus at every one of the agencies including the Long Island Rail Road. They were already high, we want to drive it higher and I thank you for the comments.

SENATOR RANZENHOFER: Thank you.

SENATE COUNSEL: Senator Gustavo Rivera for three minutes.

SENATOR COMRIE: Can you go to Liu and O'Mara first. Rivera is on a call.

SENATE COUNSEL: Yes, senator. Senator John Liu.

SENATOR LIU: Yeah, I'm trying to get on.

SENATOR COMRIE: We can hear you.

SENATOR LIU: We can hear you.

SENATE COUNSEL: Three minutes.

SENATOR LIU: All right. There we go.

Joint Hearing Impact of COVID-19 on MTA, 8-25-20

All right, just continuing on my questioning from the first round. This $12 billion request from the federal government, again that's on top of the $4 billion that the MTA has already gotten. Still trying to understand where that number comes from. There's been cites of 16 billion of 12 billion and also where the $2.7 billion in extraordinary expenditures have gone to?

MR. FORAN: Well, first, in terms of the $16 billion deficits that the chairman mentioned, this year we're still projecting a $3.2 billion deficit. Next year it is a $5.2 billion deficit. It is a $3.8 billion deficit in 2022. The projection is $1.8 billion deficit in 2023 and $2 billion deficit in 2024. That is over the period between '20 and 2024.

SENATOR LIU: Bob, and that is after the $3.9 billion have covered the current shortfall?

MR. FORAN: Yes, that's it. The $3.2 billion deficit is after we got the $3.9 billion from the CARES Act. So, the 12 billion that we now made the request for, that is the loss that we suffered from the COVID pandemic from 2020-

Joint Hearing Impact of COVID-19 on MTA, 8-25-20

2021. And it also includes the billion dollars that we have not received that we expected to receive in 2021 from congestion pricing.

Remember that was supposed to go into effect, beginning of 2021 and we are not receiving that because of the inaction of Washington in approving it.

SENATOR LIU: Look, I mean, I want the MTA to get the full funding, I think we all do. We also need the federal government again, for city and state funding. But we also have to be realistic about the MTA's numbers here, right. You're basically saying the MTA has gotten $3.9 billion and is expecting another $3.5 billion of deficit just on top of that just in 2020. That's almost $8 billion of deficit, $7.5 billion of deficit. And it's largely because people have stopped riding the subways and buses. They haven't been paying fares for months now, but the total fare revenue for the entire year is only about a little more than $6 billion.

So I'm just not sure where the MTA's coming up with the numbers. You also state that

there hasn't been a whole lot of hiring on top of current workforce, there has been overtime, but the overtime is in the tens of millions not hundreds or even billions. So where do you get the numbers from? And we need that. And ultimately, the federal government needs to be able to believe the numbers as well.

MR. FORAN: The numbers are the numbers. They are in our financial plan.

SENATOR LIU: The numbers don't seem to be the numbers.

MR. FORAN: Well, I'm sorry senator but the numbers are the numbers. And again, we've been discussing --

SENATOR LIU: How does the MTA get into a $7.5 billion operating deficit just for this year, when the total payroll costs, I'm sorry, the total fare revenue is only $6 billion. Even if you lost all of the revenue for this year, which you haven't, it doesn't add up to $7.5 billion.

MR. FORAN: The amount of money that we lost in terms of fares and tolls from the

pandemic $5.3 billion in 2020. That is the projected loss this year. The subsidies that we are projecting to lose of $1.7 billion, an additional $750 million of costs we were projecting. That's a total this year of $7.8 billion, 45 percent of our budget that we had in February has either been lost or increased costs. So that is striking. The $4 billion that we received, 3.9 plus a little bit of change that came in from another source, still left us with a $3.8 billion hole created by the pandemic for this year.

We found some other money that we think can reduce our deficit this year down to 3.2, but when you look at next year we are still projecting $3.9 billion in fare and toll losses, almost $2 billion in subsidies, again, high operating costs because of the pandemic, so about $6.6 billion because of the pandemic.

So, if you take the total losses caused by this pandemic over just the two years, it was $14.3 billion. That is 41 percent of the combined two-year budget. That's staggering. So even with

the $3.94 billion that we received from CARES, we're still in the hole because of this pandemic $10.3 billion between '20 and '21. And that is just for these two years. It doesn't include the losses projected going out. So yes, they are staggering, staggering numbers.

SENATOR LIU: Thank you. No one questions that.

SENATE COUNSEL: Senator Tom O'Mara.

SENATOR COMRIE: Senator O'Mara I believe is next.

STATE COUNSEL: For the final round. This is the last senator.

SENATOR COMRIE: Senator O'Mara and then Senator Rivera.

SENATOR O'MARA: Yeah, just turning on. Thank you. Again, just following up on Senator Liu's questioning, because that does raise a lot of issues with me. I was under the impression that the $12 billion was for this year. But you're saying that goes out through 2021. The numbers and the years you're talking about, is that based on a calendar year? Or a fiscal year?

MR. FOYE: Senator, calendar year. We're a calendar year company.

SENATOR O'MARA: With the pending presidential election, and what could come with significant changes both in the presidency, but also in Congress, wouldn't it be making more sense to making a request to get you through January of 2021 and what would that number be?

MR. FORAN: We are losing about $200 million a week, okay. So we've got 17 weeks left in this year. That roughly is about $3.4 billion that we would need just to get us through the end of this year. We don't have unlimited reserves. We cannot continue to spend money unless we have assurance that we're going to receive this federal support. So that is why we are asking for the $12 billion for this year and for next year so that we don't run off a cliff beginning in January.

MR. FOYE: Senator, additionally, our board has to act at the November board meeting with respect to the November financial plan, which is in effect the budget for 2021 and

beyond. Our board is going to have to make decisions based on the data available to them at the time would be point one. Point two, given the size and scale of the MTA and the fact that we're losing $200 million a week, doing this on a month by month basis I believe is unwise, and would put a critical state agency at risk. I have no visibility into the outcome of the Washington elections at a national level or on a state by state level, but that is not a risk it seems is prudent for the MTA to take.

SENATOR O'MAAR: Well, I would, you know, we have not seen anything from the federal government that's been more than three or four months at maximum. So I think it's unrealistic to be thinking you're going to get you a figure that is going to get you through 2021, certainly with a lot of unknowns. We just simply don't know. We're working on projections, and as we've all seen projections around this pandemic have varied widely and changed frequently.

So you know, I think we should be making more reasonable requests of the federal

government, since again, I'll say all this funding is going to be added debt to the federal government. They're not pulling it out of their pocket, just as New York State doesn't have the resources.

The only benefit the federal government has is frankly they can print money. But that doesn't do our nation any good in the long run. But I would just ask you to be a little more finite in the requests you have for what we're looking for. Maybe a little more realistic on what we can hope to get. Thank you.

Mr. FOYE: Senator, I would make two comments in response. One is, you're right the pandemic has been unpredictable and has surprised the nation and the world. I would note that most of those unpredictable outcomes have been negative and the virus is an unpredictable enemy.

The other thing is being candid with state legislators and policymakers, such as yourselves, with elected officials, with our customers and the federal government, we believe the right thing to do is to ask for $12 billion

to get us through the remainder of the year and into 2021. And I'm not aware of any state or other agency that is making an ask on a month-by-month basis and I don't think it would be wise. I think it would be unwise for the MTA to do that. But thank you for your comments.

ASSEMBLY MEMBER PAULIN: Does the sen have any other questioners.

SENATE COUNSEL: Senator Gustavo Rivera for three minutes.

SENATOR RIVERA: Thank you, it will be much quicker than that. This is actually for Ms. Feinberg. Thank you all for your testimony today. I just have two quick questions. First, what is the name of the app that is being used to track how many people are on buses? Could you tell us that again please.

MS. FEINBERG: It's the bus time tool in our appl.

SENATOR RIVERA: The bus time tool. And as far as the Bronx is concerned, were there particular bus routes where that were assigned to particular -- are there routes where this was

assigned specifically for in the Bronx? Or how does it work as far as routes?

MS. FEINBERG: It's actually bus by bus, not route by route but I'm happy to share relevant information to you for your district.

SENATOR RIVERA: Got you. So don't have them right now, what -- so it's regards, so buses can go from route to route?

MS. FEINBERG: So the way we track this information is through APPs which are on about 40 percent of our buses. And so I can't tell you off the top of my head which buses they're on.

SENATOR RIVERA: Got you.

MS. FEINBERG: But we're happy to share it with you and we're trying to put them on more buses at all times.

SENATOR RIVERA: Okay. Just hoping that is for high traffic areas, like Fordham Road, places like that that have a lot of people in them, obviously, it would be most useful in those areas. Thank you Mr. Chairman. Thank you, Ms. Feinberg.

SENATE COUNSEL: That concludes the list

Joint Hearing Impact of COVID-19 on MTA, 8-25-20

Senator Kennedy, Senator Comrie?

ASSEMBLY MEMBER PAULIN: That's it. Thank you so much, I see no other hands raised, for testifying today. We really appreciate your - -

SENATOR COMRIE: Chairman, I haven't asked my questions yet.

ASSEMBLY MEMBER PAULIN: Oh, sorry, senator. Yeah.

SENATOR COMRIE: I appreciate that. But I do want to thank the MTA for being here today. And I appreciate you taking the questions from the members, and we still have a lot of other questions to ask you. Number one, just following up on the question that Senator Kaplan asked regarding the hiring in effect. Can you explain how they got it wrong since in the July plan, there was July financial plan, it still says that you're hiring 776 people. And can you break that down and explain to us exactly what that means?

MR. FOYE: Yeah, senator, the July financial plan won't be formally amended until November and we have hired fewer people than were

Joint Hearing Impact of COVID-19 on MTA, 8-25-20

budgeted for and we are down 2,000 people, compared to beginning of the year.

SENATOR COMRIE: So, in other words you're saying that the hiring is not going to happen and you don't need to fill any positions at all at this particular time?

MR. FOYE: No, I'm not saying that, senator. There are certain, for instance, positions for bus operators that need to be filled but we have a hiring freeze in effect, except with respect to operating positions or positions involving safety or public health. And one of the disciplines that we have put in place is to be rigorous in not hiring unless absolutely necessary and that's why the number of actual people on the payroll is down 2,000. And that discipline is going to continue, and for example, the assumption was that we'd be hiring for East Side Access which will be completed in 2020 and we have deferred that hiring and will continue to defer it. To be clear, these are not construction positions. These are Long Island Rail Road positions that would be staffing the East Side

Joint Hearing Impact of COVID-19 on MTA, 8-25-20

Access terminal when it opens.

SENATOR COMRIE: Okay. Thank you. And I just want to continue to highlight the hiring and actually the transparency piece. I want to congratulate Sarah Feinberg on her realization that there was not enough transparency, as far as who has been working at the MTA and can you kind of expound where we are on that? Have you been able to discern and get the transparency, to understand who is actually working there?

MS. FEINBERG: Good morning, senator. We are well into our project of trying to develop a tool that allows us to see all employees and all of their contact information and their reporting structure in real time. And the focus for this, I think is, as we head into what could potentially be another surge or a second wave of the pandemic, the most important thing in my mind is making sure that I can reach employees at, whether it's their cell phone or their home to let them know that they've been quarantined or possibly exposed or be able to reach their family members or ask them to get, you know, suggest

they get tested as quickly as possible. So we're well into that.

SENATOR COMRIE: I was bringing that actually around to the point of what their total staff is and whether there can be redundancies that are eliminated. You talked about saving $3.5 billion in internal savings. Can you go into detail as to what that would be and where you think that $3.5 billion will be coming from?

MS. FEINBERG: I'm happy to take the question. I think you may also want to hear from Chairman Foye, but I'm happy to start.

SENATOR COMRIE: Yes, this to everybody, I'm sorry.

MS. FEINBERG: Okay. Got it. I don't know how many savings we will be able to realize just from the process of compiling all the employee information, but undoubtedly there'll be some savings there I'm sure. But inevitably, the savings that we've compiled in our efforts to bring savings to the table as every agency has done, it mostly involves wear can we make internal cuts, are there places where we were

getting by with something and we're going to have to get by on less. So, overtime certainly is something that we're looking at, real estate is something we are looking at, office space. Obviously, the last thing that we want to do is get to a point where we are impacting service or impacting our workforce.

And so, I mean of the 3.5 billion in internal cuts, I'm sure we're willing to share more, but it's basically, as you can imagine, cutting everywhere that you possibly can before you get to layoffs, furloughs and service cuts.

SENATOR COMRIE: Well, we'd like to see the details on that as soon as possible. I'm going to just be respectful of time and ask a few other questions in a bundle. I do want to get a list of all the emergency contracts that have been put out with COVID as the earlier senator had asked, Senator Ramos, we wanted to find out how these contracts were let and who they were let to. I wanted to get an understanding if there's been an update on the debarrment issue that a lot of contractors were concerned about as

well. The issues of dealing with and how we ask the federal government for money, Senator Liu and Senator O'Mara brought up salient points about what we actually need and now how we can be most effective in getting that money. We would really need to want to help you on that, but we need to be clearer on that. It did not come out -- it was very muddy today as to trying to figure that out.

But my final question is and we have other questions that we have to send you, the capital plan, the current capital plan right now, what are the, what's going to, you talked about making sure the third track and other work is being done. Can you give us the status where you are with your current capital plan that has already been funded and do you have all the money to complete that plan?

MR. LIEBER: The projects that are underway, the projects underway where there is -- there are contracts that have been committed to and projects that have been committed to are continuing with no slow down or hiccups. So the key is if there is, and the vast majority of the

'15 to '19 program was committed to and was underway before COVID hit.

But there are some '15 to '19 capital plan projects that were not committed to before the COVID crisis hit and we have placed those predominantly on pause, as well as the '20 to '24 program. The exception, as I said earlier is in-house work where we use our own forces and we have to pay them one way or the other, so we should move that work forward. And federally funded projects, which are we call use it or lose it funds. Otherwise, everything is on hold that hasn't been committed to.

SENATOR COMRIE: Thank you. And then just an employee question, we've gotten complaints from employees that they haven't been able to get masks or PPE when they have asked for it. Is there a process in place to ensure that every person across the MTA system can get PPE when they need it.

MR. FOYE: Yeah, senator, as I mentioned, we have distributed since March 1st, millions and millions of masks, well over eight

million pairs of gloves, disinfectant, hand sanitizer.

SENATOR COMRIE: I heard that part, but the question is if a person that shows up to work and they don't have their equipment, can they get equipment that day? Or is there a limit how much equipment a person can get each week? Or how is that breaking down?

MS. FEINBERG: Senator, I can take the question as it pertains to transit. I mean we have directed and asked of our employees anytime that you show up at work and you feel like you do not have adequate PPE, raise your hand, tell your manager and you will get it.

SENATOR COMRIE: Will that work for the Metro-North and Long Island Rail Road too? Because we've gotten complaints from members, I'm looking at, there's letters and testimony from Metro-North and Long Island Rail Road. Is that the same policy?

MR. FOYE: Yes, senator.

SENATOR COMRIE: Okay. Thank you. I know I'm over time. I want to thank you all. We have

plenty of other questions that we want to submit. We hope to hear more from you. I know that you have a special hearing tomorrow before your board, can you give us some kind of idea what you are going to talk about tomorrow?

MR. FOYE: Yes, senator, I expect we'll explore a lot of issues of these same issues as I mentioned. No resolution will be put to the board for action, no vote will be taken. It is a further discussion of the A, the desperate need for federal funding, $12 billion to cover losses through the remainder of 2020 and the full year 2021 and actions that may have to be taken, which I outlined earlier. No decision will be made. And we'll be reporting, as Bob did today, on the financial situation of the MTA.

SENATOR COMRIE: Thank you. To the members or anybody watching, my cell phone died, so if you're trying to text me right now, you can't get through. But I just want to thank the MTA for being here. And we still have a lot of questions. I do have some concerns and some disagreements with some of the statements

regarding the accessibility and I hope that we can get all of that resolved, as far as we have constituents that are complaining from the Long Island Rail Road and the Metro-North that the sanitizers are not available at the stations and when you hit the machine a lot. I understand there's a lot of challenges to making all this happen and I hope that we can all work together in the spirit of cooperation and outreach to make that happen.

I want to thank my co-chairs for this. We do have other folks to hear from today, but I wanted to just close out my end of the MTA, and say I look forward to working with you to try to get whatever we can from the federal government. Hopefully there will be a federal government that's more favorable next year, but we still to have fight this year to get whatever we can because the need is just that real. Thank you very much. And I'll turn it over to my co-chairs for final statements on the MTA. Thank you.

SENATOR KENNEDY: Yeah, thank you, Chairman Comrie. And again, thank you to you,

Joint Hearing Impact of COVID-19 on MTA, 8-25-20

Chairman Foye and to Bob Foran, Janno Lieber and of course, Sarah Feinberg. We appreciate you being here and answering these questions extensively. We look forward to our continued work together. We all have a lot of work to do, we are just warming up. Thank you.

MR. FOYE: Thank you all very much for the opportunity.

ASSEMBLY MEMBER PAULIN: Thank you. C next panel --

SENATOR COMRIE: You muted yourself.

ASSEMBLY MEMBER PAULIN: Yeah, I know Our next panel, oops, that's why I did it, our next panel is panel two. We have Anthony Utano, Robert Kelley, Anthony Simon, Jose DeJesus, Mark Henry and Ed Valenti. And do they have an order of preference? I understand that Mark Henry had a family emergency. We hope he's okay. So he will not be participating.

MR. ANTHONY UTANO, PRESIDENT, TRANSPORT WORKERS LOCAL 100: I guess I'll go first. They're all muted so I get first shot. It doesn't matter.

Joint Hearing Impact of COVID-19 on MTA, 8-25-20

SENATOR KENNEDY: Go ahead, tony.

MR. UTANO: Good.

SENATOR KENNEDY: Good morning.

MR. UTANO: Good morning. Different screen here now. Can I start? You guys can hear me okay?

SENATOR KENNEDY: We sure can.

SENATOR COMRIE: Yes, we can hear you.

SENATOR KENNEDY: You sound great, you look great. Go for it.

SENATOR COMRIE: Yes.

Mr. UTANO: Okay. So my name is Tony Utano. I'm the president of Transport Workers Union Local 100, the union that moves New York. We represent more than 46,000 workers in the transport patient section, nearly 40,000 of these workers operate, maintain and clean the city's subway and bus systems for the MTA. We also represent workers at private bus companies, including Liberty Line Transit in Westchester County, also at New York Waterway, the school bus and tour bus industries.

I want to thank the members of these

important committees for bringing the worker's perspective to the issue at hand, the impact of the pandemic on the MTA, including its workforce, infrastructures and finances.

Before I go any further, I would also like to thank the members of these committees for enacting the accidental death benefit legislation for the beneficiaries of the essential public sectors workers who lost their lives to COVID-19. This sent a powerful message to those who are carrying the fight against this disease that you have their backs.

As I stated in official announcement of this hearing at this time, as I state, 131 MTA workers have died of the virus. The majority of them were members of the TW local 100, the remainder were members of the Amalgamated Transit Union and other unions. No one at New York City transit was immune. But these are just numbers and they don't tell the story of who these wonderful people were, the vital jobs they did in the fight against this pandemic and, of course, the important lives they lived outside of their

jobs as transit workers.

Some were relatively new to the job and some had more than 35 years of service. They were from every department and transit, buses, subways, stations, car equipment, bus maintenance, cleaners, track workers, single structures and power, almost all were loving parents and heads of household.

One was an immigrant from the Dominican Republic who served his adoptive country in the United States army. He was just 41 years old and left a grieving wife and young son. Another was an Egyptian, an immigrant from Egypt who had worked in the oilfields of Saudi Arabia. After his expenses, he sent every dime he made back to his wife and three children in Egypt. It was his dream to bring them all to America. One was an author of popular fast-paced fiction novels, another was a deep sea diver, another a beloved pastors of an AME church in Brooklyn. And yet another was so beloved by his passengers in the Bronx that some burst into tears when they were told their favorite bus operator had died of

coronavirus.

Three of our lost brothers were elected officers of local 100, who got sick while representing their coworkers in the subways. Many other union officers got sick as well, but were lucky enough to survive. One of them is here with me today. He's elected chair of a major division within local 100. He's Robert Kelley, the chair of station division, which represents thousands of station agents, collectors, railroad stock workers, way finders and cleaners. I would ask that he be given the opportunity to say a few words after I'm done with this testimony.

It is truly hard to describe the loss felt by the families and by the coworkers left behind in the depots, in the shops, in the barns and in the crew quarters. Yet transit workers did their jobs every day, 24 hours a day, seven days a week during the darkest hours of the pandemic. They continue to do it today as the dangers have subsided, but still remain ever present.

There is much blame to go around for what has happened to us here in New York and

across the country. We see the blame game playing out every day in the media. It is the central debate of the presidential race. It is my opinion that no one was ready for this crisis, not Washington, not Albany, not city hall, and certainly not the MTA.

The MTA's response in the first days of the crisis was to dust off an eight-year-old pandemic operating plan written after the Ebola scare of 2012. And by the way, I just want to make a note that I now just learned they have a 2017 pandemic plan that I have never seen and was never involved in putting together.

However, the fact that this union had to threaten service unless bus operators and conductors who wanted to wear their own masks were allowed to do so reveals the depth of the lack of understanding of what was happening in our country. We fought for every change possible in operating safety to mitigate transmission of the disease in those first critical weeks, including indefinite suspension of the Kronos fingerprint time keeping system, rear door

boarding and restricting rider areas for buses, cashless transactions in stations, daily disinfection of work areas and rolling stock, sufficient supplies of masks and hand sanitizer and optional face masks for conductors, a system wide policy that riders be required to wear masks to get on a bus or train.

We also fought hard for the surviving family members. We were successful in negotiating benefits for families of our fallen heroes. This is a $500,000 benefit. It will not bring back their loved ones, but hopefully it will allow them to rebuild their shattered lives.

I believe that our efforts in the media outreach forced the MTA and the City and State to take notice of the crisis of the homeless and mentally ill inhabiting the subways on the overnights, making it difficult to do our jobs and increasing the risk of assaults and virus transmissions.

When the MTA ends its temporary suspension of overnight subway service for cleaning, strong enforcement is needed to prevent

the homeless from squatting in the system again. The threat to transit workers and passengers from the pandemic is far from over. A second outbreak is a serious risk, as schools are set to reopen and the city continues to expand its reopening plans.

We want the MTA and the state legislature to commit to the following. No layoffs, regardless of the financial concerns, layoffs are front of frontline workers cannot be tolerated. Transit workers are essential workforce. We face the dangers and paid dearly in death and illness for that responsibility. To now be told that our jobs may be expendable because of a financial shortfall is unacceptable. And, quite frankly, a break in a vital trust that keeps us coming back to work no matter what the risks. There is no talk of police layoffs, firefighter or healthcare. We ask this committee to adopt a statement underscoring our position on this matter, no layoffs no matter what.

Enforcement of mask policy, the MTA, the MTA police, and the transit police must strictly

enforce the mask requirement policy. This issue has led to disputes on buses and trains and has caused new concerns of assaults on the workforce and passengers.

The MTA claims the mask requirement is being honored by as many as 90 percent of the riders. However, our Local 100 safety teams have monitored a number of bus routes in Brooklyn and Manhattan where as much as 40 percent of the passengers boarded without masks. This is unacceptable. The MTA needs to expand its pilot program of mask dispensing machines to buses and stations across the system. We want the MTA to produce regular reports on the mask mandate, including the effectiveness or the lack of effectiveness of their enforcement policy. Workers and riders must feel the system is safe. Everyone wearing a mask is a vital part of that equation.

Bus shields and safe space in the subway. Bus operators, train operators and conductors are the most vulnerable of the transit workforce. Their exposure to the public is

constant. Bus operators encounter hundreds of riders every day. The subway, a single train, is capable of holding more than 1,000 passengers. On the buses the shower curtains are unpopular amongst operators and viewed as ineffective. We are seeking the full compartment approach for the operators that some agencies in Europe and in a few American cities have already adopted. A permanent solution of the bus shield issue must be accelerated.

In the subway, we want a free space or no entry zone established around the crew cabs to improve social distancing for our train operators and conductor.

Testing, we ask for regular and rolling testing of percentage of workforce to weed out infected workers without symptoms to quarantine for the proper time. The military academies, including West Point, Air Force, [unintelligible] [02:07:30] testing students like this. We are at war against this disease. We must use every weapon at our disposal.

MODERATOR: Mr. Utano, can you please

wrap up? Your time has passed.

MR. UTANO: Okay. I'm almost done. The depth of the loss among the workforce demands that the MTA adopt the strictest and most comprehensive testing measures to avoid a second pandemic.

Research, Local 100 has entered into a partnership with the New York University School of Public Health in a comprehensive study on why transit workforce was the hardest hit segment of all essential workers. We launched the study earlier this month. We ask that these committee go on the record in supportive this study and to urge the MTA to cooperate fully with all New York NYU requests including medical records. I'm almost done, one more.

Hazard pay, Local 100 and the ATU have launched a multi-tier campaign to win hazard pay for transit workers. Maybe you have heard one of our video commercials. We believe that essential workers have earned this pay. We believe that in the event of a second outbreak, workers will be far less ready to risk their health and family's

health without an incentive like hazard pay.

We seek commitment from the MTA that when they receive new funding from federal government, a portion that of money be set aside for the workers in the form of hazard pay. Thank you. I now would ask if Robert Kelley could be given an opportunity to speak, and then we'll be available for questions.

MR. ROBERT KELLEY, CHAIRMAN, STATIONS DEPARTMENT TRANSPORT WORKERS LOCAL 100:

you, President Utano, thank you very much. Thank you, senators. Thank you, assemblyman, assemblywomen and all others. My name is Robert Kelley. I'm the division chairman for stations department. Quite frankly, I'm mad as hell and I have to express that.

SENATOR COMRIE: Sir, we can't hear and you we're going to have to ask you to stay to it one minute, so you've got to get closer to the mic. We can't hear you and you're already on overtime, so can you get straight to the point.

MR. KELLEY: Can you hear me now?

MR. KELLEY: Yes. Our members was

misinformed about wearing masks, refused PPE prior to the many deaths. To sit up here today and to listen to Chairman Foye say that all along we've had this PPE in storage somewhere and not afford us the opportunity to use them, well, quite frankly, is appalling, to say the very least.

I myself was plagued with this virus. I spent three weeks in the hospital. I was out there on the frontline trying to make sure that I could secure the safety my members. In doing so, I took ill. While I was on my bed with two feet in the mud, thank God for family and friends and my brothers and sisters from the union that gave me that will to continue to fight and fight through it, I was one of the few that survived in that respect, that was in my condition, but I'm here today to testify and to make sure we have a clear, concise understanding that the MTA cannot continue to act in the manner in which they did in the past and to try to sweep things under the rug like it doesn't matter.

We was definitely not treated fairly.

Going forward, I hope and pray that you guys see what's been happening to us and why we have so many lawsuits that could have been prevented had the MTA done their due diligence, which was to keep their works force safe, and they failed to do so.

In reference to the shutdown from 1:00 to 5:00, we have more than enough adequate clearance that can fulfill the obligation. We do it on a daily basis. We clean, high pressure hoses all day long around the ridership and we do it very well. We've been doing it for years, so we can continue to do that. So the 1:00 to 5:00 shutdown is ridiculous, we're losing money there, we need the money.

As far as our booths go, we can't assist the ridership because we don't have money in the booth. Now, we know we want to safeguard our members and that is the first thing. First of all, I want safety first, but there are ways and methods that we can use to bring money back into the booth. We understand Omni is coming, but it's not here yet. We do have an agreement that we are

supposed to continue to act the way we have in the past so that we can move forward with the Omni. The Omni is coming before its time and I feel it's being forced upon us, and I feel like it's doing a terrible injustice to the ridership, and especially our pockets. We're losing millions of dollars by not having money in these booths.

ASSEMBLY MEMBER PAULIN: Thank you s much.

MR. KELLEY: Thank you.

ASSEMBLY MEMBER PAULIN: The next speaker is Anthony Simon.

MR. ANTHONY SIMON, CHAIRMAN, SHEET METAL, AIR, RAIL AND TRANSPORTATION UNION (SMART) TRANSPORTATION DIVISION: Thank you. Can everybody hear me?

ASSEMBLY MEMBER PAULIN: Yes, we can

MR. SIMON: Thank you. My name is Anthony Simon. I'm the chairman of SMART transportation division on the Long Island Rail Road. Thank you, Senator Kennedy, Senator Comrie and Assemblywoman Paulin and the entire delegation for planning and participating in this

Joint Hearing Impact of COVID-19 on MTA, 8-25-20

hearing. This COVID-19 pandemic has posed challenges and risk that are clearly unprecedented. I'd like to pay my deepest respects to hundreds of MTA families who have lost loved ones to this vicious virus and convey my sincere appreciation to the thousands of frontline workers who came to work and continue to work each and every day, putting themselves and their families at risk of contracting COVID-19.

I would like to start by saying that I am not attempting to place any blame, but I am obligated to raise issues where there were inconsistencies and flawed practices that continued throughout the pandemic and in some cases remain today.

For example, there were inconsistencies with using masks and the ability to stock and issue PPE and the proper sanitizing cleaners and wipes was a tremendous challenge, which inevitably caused tremendous trust issues for our frontline workers. The agency would publically announce the issuance of PPE and cleaning

supplies when these products were not making it to our employees until days or weeks after the announcements. That should never have happened.

MTA leadership repeatedly referred to our workforce as heroes moving heroes, but I am not sure those words will cut it as we continue to battle this virus and attempt to rebound from the financial burdens we face. Our workforce has been challenged, but they have answered the call by delivering on essential service and projects while prioritizing the safety of our riders.

I would like to speak about what our organization perceives to be a disconnect between the MTA headquarters and the agencies. As you should know, I represent Long Island Rail Road workers and can only speak on our experiences. The safety and occupational health services policies and procedures made at headquarters were not properly and consistently communicated to management connected to the work force on Long Island. Blanket procedures in dealing with COVID did not address all of the individual crafts properly. Creating policy for office workers in

shared spaces and trying to put it to use for frontline field workers created constant confusion and impossible distancing scenarios for our unions to navigate. Precautions and procedures need to be craft specifics.

Additionally, those who create the policies need to be much more aware of what the craft positions do if they want realistic measures to be taken. The unions need to be much more involved.

Next, would I like to recognize the efforts of the medical and HR staff on the Long Island Rail Road who assisted in dealing with the tracking and quarantining of our employees. Unfortunately, to no clear fault of these individuals, there were mistakes and inconsistencies. Workers were calling to ask if they should go to work or not due to potential exposure, only to be told someone would get back to them in a day or so. People came to work that should not have. It was difficult to navigate with limited resources that I know. But we need to do better. Workers pay status is relative to

quarantine and how revised rules required additional paperwork were and remain difficult to navigate. Medical clearance requirements and follow-up testing locations varied and changed throughout the last several months.

The bottom line is nothing seemed to be clear to provide the needed support to our frontline workers and constantly changed. Again, messages from headquarters were not in the sync and consistent with the company. It just seemed that everything was generated from the headquarters, yet the Long Island Rail Road was either unaware or unable to communicate where the challenges were. There needs to be more controls implemented within the individual agencies and more awareness of what is happening on the property, and that will lead to my next concern.

Managers cannot be aware of what our employees need on the frontlines if they are not there. Every member of our organization was a true essential worker, and I add the word true in front of the essential worker for a reason. They were mandated to come to work and physically were

on the property to perform their services. They moved trains. They cleaned, they sanitized, repaired, built infrastructure and more while on the property and at risk each and every day. This is true essential work.

The large amount the management positions however, were or still are working from home remotely or working alternating days and in safe distance locations. I understand the principles behind this decision, but in my opinion, more managers should be out supporting our rank and file workers in the field, not at home. They should have been out supporting our workers, issuing PPE and checking worker wellness.

At a time when the MTA has some very difficult decisions ahead of them to reduce expenses, I can assure you that I and other union leaders will take great exception to any true essential worker positions being cut. They were needed and put to risk throughout this entire pandemic and should be secure into the future. By establishing remote working alternating days and

varying safe options for the managers, it has clearly identified where the future savings can be found. Labor is advocating for funding as well. We know how much we need the financial support, but the money needs to be prioritized properly and spent on essential workers. We cannot spend federal money on consultants, studies and unnecessary senior management positions.

In closing, I would like to say I appreciate the efforts of every MTA employee through this COVID crisis, while prioritizing a well-deserved appreciation to the true essential workers on the frontlines. We have all learned a great deal and need the work together at doing better. I thank this committee and for all those who will take active steps in improving on the challenges we have and are facing. I wish nothing but good health and progress to all of us in a society that has certainly been through a great deal. Thank you for this opportunity, and I will await any questions.

ASSEMBLY MEMBER PAULIN: Thank you. C

Joint Hearing Impact of COVID-19 on MTA, 8-25-20

next speaker, I think Jose.

MR. ED VALENTE, GENERAL CHAIRMAN, ACRE:

Hello. Can you hear me?

ASSEMBLY MEMBER PAULIN: sure. Ed, go

MR. VALENTE: Oh, sorry.

ASSEMBLY MEMBER PAULIN: No, no, it's

fine. You're unmuted and we want to hear from both of you, so sure.

MR. VALENTE: Okay. Good afternoon, Chairs Kennedy, Comrie and Paulin and distinguished members of the New York State Senate Standing Committee on Transportation, The Senate Standing Committee on Corporations, Authorities And Commissions and The Assembly Spanned Standing Committee on Corporations, Authorities and Commissions. I am Edward Valente and as general chairman, I'm here today on behalf of approximately 1,600 members of the Association of Commuter Rail Employees.

Created in January 2000, ACRE represents essential operating craft employees at the MTA Metro-North Rail Road, uniting conductors, engineers, power directors, rail traffic

controllers, signalmen, yardmasters and stationmasters under one labor organization.

ACRE works with the MTA and Metro-North management to build and operate what is universally recognized as the premiere commuter railroad in America. Our members are essential workers. Throughout even the worse weeks of the pandemic ACRE members continued to heed the call at great personal risk in order to ensure that first responders and healthcare professionals had the transportation required to fight back against the pandemic.

We thank your committees for the opportunity to testify at this important hearing on the impacts of COVID-19 and our work. ACRE is highly concerned for the safety of both our members and passengers who are facing increased exposure to COVID-19 in correlation to an increase in Metro-North ridership as the regional economy moves further and further into reopening.

And despite similar claims from Metro-North, the railroad has taken few measures to match their words. To that end, it is our

priority that Metro-North restores full service as already implemented at New York City Transit and LIRR. This is only way to provide the right balance of services to allow passengers and workers alike to socially distance. And failure to do so can arguably result in greater difficulty for passengers to socially spread.

Despite the fact that it is no longer possible to socially distance once the train cars start filling up, while Metro-North is increasing peak hours service commencing August 31st, the agency has consistently refused to acknowledge the need to go to a full service schedule for off peak and weekends.

And within individual trains themselves, more steps should be taken to mitigate the risk factors that contribute to the spread of the virus. For example, Long Island Rail Road has introduced a smart phone app that indicates to passengers, which cars have more available space to spread out. Metro-North has not. And Metro-North has yet to make hand sanitizer widely available on trains. What sanitizer stations are

available are rarely filled. And what sanitizer is available the in bathrooms isn't alcohol-based, making it a much less effective disinfect.

While having worked hard and sacrificed to overcome the spread of COVID-19, our region can ultimately only control the virus so much. By not providing an adequate environment for passengers to socially distance, risk will remain exacerbated and potential passengers will opt not to ride on Metro-North.

Thus it is critical that Metro-North cease with the distractions and accept its responsibility to create the best safety scenario possible to protect workers and passengers alike. On August 1st, a female conductor was brutal assaulted by a male passenger while working her train. She was punched approximately 30 times and suffered a concussion, bruised jaw, lacerations inside of her mouth, bruises on her head, arm and shoulders, swollen eye that may include further damage and extensive emotional trauma.

Such violence against ACRE members is both alarming and now unsurprising. There is

almost no police on Metro-North trains. In addition to exposure to COVID-19, many of our members remain persistently at risk of assault by members of the public while on the job.

On this front, ACRE has engaged with Metro-North for months in pursuit of securing a proper police presence on the trains and adequate benefits for victims of on duty assaults. Now, to make matters worse our members are at a heightened risk of assault for simply trying to enforce social distancing and mask wearing requirements on the trains during this pandemic.

Metro-North needs to maintain a regular police presence on our trains. It would deter violent crime as well as verbal abuse, [unintelligible] [02:23:04], terrorist activity and theft. A police officer is better situated, unlike our conductors, to enforce compliance with the mask requirement. With such a force, we are confident that passengers and crew members will feel greater security in their commute, as criminals will think twice before engaging in violence or theft.

Joint Hearing Impact of COVID-19 on MTA, 8-25-20

In addition, Metro-North must adequately compensate workers who are the victims these on duty assaults. As it is stands, the railroad requires to use their own accrued sick leave to recover from on-duty assaults. Rather than penalizing the worker for the railroad's lack of security, Metro-North should be liable for the medical costs and leave that is attributable to the on duty assault. ACRE strongly supports legislation introduced by Chairman Comrie, which would codify such an obligation into statute.

Finally, it is important to mention the lack of accommodations for pregnancy at the MTA and Metro-North. In addition to the immediate viral threats the of the COVID-19 pandemic, the duties of ACRE members are strenuous, carrying heavy equipment, climbing up and down equipment, throwing hand switches, locking down pantographs, and all while these workers are constantly on their feet. New York has has long recognized disability caused by or in connection with pregnancy for receiving workman's comp.

Though we do not participate in

Joint Hearing Impact of COVID-19 on MTA, 8-25-20

workman's compensation, as a a matter of principle pregnant workers need to be treated fairly on the railroad too. Anything short is discrimination. The MTA Metro-North must implement a functional system where an expecting Metro-North worker is not forced to risk life or injury to themselves or their baby as a condition of employment. This includes providing adequate PPE and enforcing social distancing and mask requirements to the best of the railroad's abilities, as well as accommodations, light duty or time off if determined medically necessary by the worker's doctor.

The MTA announced the task force in July to review poor accommodations for pregnant New York City transit workers after a tragic and entirely avoidable miscarriage. There have been no updates since. ACRE requests that the committees here use your oversight authority to ensure the MTA does not let this important obligation to its workers fall by the wayside.

ACRE is committed to protecting the rights of all its members working in their

respective crafts. Each craft maintains its own identity while working together for the common good. Together, we continue to strive and fight to improve both working conditions and the quality of service our members provide to a growing number of riders. We believe that in this time of need, the future of public commuter rail transportation requires an alliance between elected officials, employees, and the public we serve.

With your assistance and oversight, we are committed to working with all railway stakeholders to continue to improve the safe, efficient service that taxpayers and riding public expect and deserve. I thank you for your time and consideration and I look forward to answering any questions the panel may have.

ASSEMBLY MEMBER PAULIN: And our fi

speaker on this panel, Jose.

MR. JOSE DEJESUS, PRESIDENT, AMALGAMATED TRANSIT UNION LOCAL 1179: Good afternoon and thank you, Chairman Comrie, Kennedy and Paulin for the opportunity to present on behalf of

Joint Hearing Impact of COVID-19 on MTA, 8-25-20

Amalgamated Transit Union, Local 1179. I'm Jose DeJesus, president and business agent of the local. While these hearings focus on the MTA, what I highlight applies to all transit workers on the frontlines fighting against COVID-19. This includes the members of ATU Local 1179 in Queens, Local 726 in Staten Island, Local 1056 in Queens and also Local 1181 in Brooklyn and the riding public.

Local 1179 members operate and maintain MTA bus routes serving Queens, some routes extending into Brooklyn and Manhattan. ATU members are working under an expired contract that the MTA refuses to update. The MTA already settled a new contract, including mew wages for the workers represented by TW Local 100. This creates two classes of workers paid differently to perform the same work.

Many of the legislator present today and others flagged this inequity to the MTA, and we thank you. The MTA recognizes -- excuse me. The ATU recognizes, as do most experts, that without a fully functioning transit system, we cannot

expect New York City and other, and thus our state and national economy to fully recover and achieve growth beyond. That includes treating all workers fairly and equitable and all that perform the same work must receive the same pay and not be treated as part of some caste. ATU workers deserve a contract for the same work as the MTA already settled and refuses to discuss with ATU.

Our members are classified as essential employees and continue to work in order to make sure our essential workers, including doctors, nurses, police, grocery store clerks and others can get to their jobs and return home to their families. The work of our members has put them at increased risk of exposure of the coronavirus.

This exposure has not been without consequences. In New York, ATU has lost 33 of our brothers and sisters to COVID. They put their lives on the line as essential workers during this crisis, and our membership performed their jobs in exemplary manner, despite the MTA treating them as a second class worker without the same compensation afforded to our brothers

Joint Hearing Impact of COVID-19 on MTA, 8-25-20

and sisters at Local 100, working at the MTA under a new contract. Transit workers are unable to shelter in place. We are required in a workplace that requires the minimum at home shelter or better shelter as the workplace.

Transit workers are exposed to all dangers and still have shown great resiliency mentally and physically under certain conditions despite the MTA treating themes a second class worker without the same compensation afford today our brothers and sisters at Local 100 and working at the MTA under a new contract.

The priority of the ATU has been to protect the health and safety of our members who are essential workers on the frontlines of this crisis. And at the start of this crisis, our members were put in harm's way without the proper protection. Our workers were not given the personal protection equipment, PPE such as masks, gloves and cleaning supplies necessary to prevent transmission of this virus. It was their union that supplied those basic mandatory items, while other members better but limited access to PPE

now, delay in getting equipment was too insufficient.

We must ensure that the MTA has access to supplies and PPE equipment to its workers on the frontlines. We must also ensure that is MTA sets mandatory standards for PPE for transit workers and for the cleaning of buses and transit stations. These standards need not to only apply to the situation today, but also apply going forward, so we are not ill prepared for the situation like this in the future.

Our members continue to put themselves at risk while the MTA treats them as a second class worker without the same compensation afforded to our brothers and sisters at local 100, working at the MTA under a new contract. In addition to the PPE, the MTA must put in place protections to guarantee the safety of our members.

The MTA needs to equip buses with functional sheeting or Plexiglas barriers to reflect the spread of the virus and must ensure proper ventilation on its equipment, including

buses and all work spaces. We need the highest available MERV filters. We need protections from our drivers, explore offsite fare boxes to minimize drivers' contact with passengers and speed up the time line on implementing the Omni system.

Our depots, some built in the early 1900s, need upgrading, including eight track systems to improve the social distancing, explore a remote clock-in and clock-out system for our workers as they report to work. We must also closely explore the airflow on buses and adjust design of current upcoming fleets needed. Air in buses recycles in the cabin and then flows to the front, potentially carrying bacteria and viruses with it. We must work to ensure updated ventilation and air control systems on our buses that meet the appropriate air standards to ensure the health and safety our drivers and passengers. Our transit workers suffer from pulmonary diseases at the rate of 70 percent or higher than the general public.

This remains all the more important as

Joint Hearing Impact of COVID-19 on MTA, 8-25-20

fare collections of all MTA buses resumes next week on the 31st. And the MTA still refuses to treat our members as anything but second class workers, without the same compensation afforded to all our brothers and sisters at Local 100 working under the MTA new contract.

Cleaning protocol are needed. The ATU supports a recently mandated 24-hour cleaning schedule of all transit equipment and the overnight subway closures. The MTA Authority already enjoys shuttle bus replacements with parts on system that's shut down and should rely solely on MTA bus operators and replace public employees operators for non-union drivers. ATU supports the cessation of private operations doing the overnight hours and [unintelligible] [02:32:39] our buses to serve workers in the wee hours while the subways remain closed for cleaning.

And still the MTA refuses to treat our members as a second class citizen without the same compensation afforded to our brothers and sisters at Local 100. Our members continue to

show up to work despite these real threats to their health and safety. We believe that our members should be compensated for their work through the implementation of hazard pay, which would be 1.5 times their normal wage or rate, funding provide by the general government should be allocated to the membership. The hard working men and women came to work and ensure that other essential workers to get to where needed to go. Their dedication and hard work must be recognized and never marginalized.

The MTA requires our members to work as second class public servants without the same compensation afforded to our brothers and sisters at Local 100, working under the MTA's new contract.

We know all of these initiatives require more funding, and we know financial situation facing the state right now is dire, but ATU International, we strongly support the inclusion of $32 million in emergency operating aid for the public transportation in the next round of federal virus relief funding. That these funds

will be used to maintain essential service, avoid layoffs, and provide PPE to keep our members safe. We're also supporting funding for the state and because in addition to the emergency aid. We need to fund, we need to shore up the support we receive from the state and the city. They must avert simple devastating cuts to public transportation being complicated absent additional funding. We cannot cut public transportation services through an economic turndown or this epidemic.

ASSEMBLY MEMBER PAULIN: Can you plea

wrap up? your time is past.

MR. DEJESUS: I'm almost done. Thank you.

ASSEMBLY MEMBER PAULIN: Okay.

MR. DEJESUS: I lost my place. I'm sorry. Too many people rely on our service to get to and from work and from doctor's appointments and the grocery store and other essential workers. COVID-19 has shown all economic pitfalls, [unintelligible] [02:34:54] impacts and cost cutting passed over the years on programs

that never should have been reduced or eliminated in a city this size. But does it not shine attention to public service, delivering public transit as a second class worker at the same conversation afforded.

The lack of financial support from the federal government also impacts the ability to finalize the contract for our members with the MTA. For decades, [unintelligible] [02:35:18] bargaining at the MTA resulted in the members of ATU receiving the same benefit negotiated between TW 100 and MTA. This year the MTA refuses to honor this pattern of bargaining, settling our contracts collectively involves very little impact on the MTA's overall operating budget. We need to ensure the MTA receives adequate funding so we can honor this contractual obligations. I'm happy to answer any questions that you may have.

SENATOR KENNEDY: Thank you to you, President Dejesus, to Chairman Valente, to Chairman Simon, to President Utano and to Chairman Kelley. We thank you each and every one of you for being here, for your testimony, and

for your service and for your leadership. And I mentioned in my opening remarks earlier, but I want to mention it again. Our hearts go out to the families that have lost loved ones during this very difficult time.

Chairman Foye mentioned earlier today that 131 individuals have lost their lives across the system. Those are individuals that sacrificed everything for the betterment of our community. And we can never forget them and we have to honor them and their sacrifice, a real sacrifice, by get up and going to work every day to make sure that the system functions so that, as many of you testified today, the essential workers on the frontlines that are fighting back this horrific virus can get to their places of employment, and so that our communities can function. So once again, thank you to each and every one of you.

I can take pieces of each of your testimonies and tie them up because they were consistent, that there's been concern about having enough PPE, enough sanitizer, enough safety materials, the concern about security and

enforcement of the precautions and the requirements of wearing a mask, simply wearing a mask. You know, 90 percent, the 90 percent number I think, Tony, you brought that up. Chairman Foye said 95 percent earlier, although he was just putting a number out there. You know, any time it's not universal, we're putting people at risk, and because of that, it's essential that we have the enforcement mechanism in place. Each of you testified to this effect.

I'd like to ask Chairman Simon a little bit about this. The enforcement mechanisms that are in place, can you talk about what's happening. I know that there's been attacks and some aggressive acts against conductors and other members of your workforce, and harassment. Can you talk about the policing of the requirements that are in place and the need for more as well as the essential workforce, the potential for cuts, and what that could possibly do as well?

MR. SIMON: Thank you, senator, for that except. I can absolutely talk about how the assaults and the harassment on frontline

conductors has gone up so much and we've been begging for more police. It seems like the commuter routes are being shortchanged for policing on the trains and we need more of that.

To try to ask somebody to put a mask on is a very difficult situation for a frontline conductor. He or she either gets spit on, harassed with threatened. As you might have seen there's a wanted poster now out for somebody pulling out a knife on a conductor then jumping out the window before he can get caught, kicking out the emergency window.

Our members continue to come in and face this ever day, yet we are begging for more police on the trains. We shouldn't have to be begging. It should be something that should be done automatically. The funds that they use for safety and security, we should have all the safety and security experts at the MTA saying our organization, to the TWU to ACRE, to all of us, what can we do to better protect your members? They delivered during the pandemic. They continue to deliver.

But that's not happening. We have phone calls. We have messages. And we just keep getting pushed to the side. That has to stop. If you care about us, then show it with your actions, not with words, and that is what's so frustrating. When we talk about reduction of forces, how could you discuss reducing or laying off, like my brothers have said, any essential worker when we came in and some gave their lives? It just is mind-blowing that you could even talk about that. They talked about their hiring is not happening. If you just look at their posts, their posting for $200,000 a year jobs. How could you do that? How could you hire -- I ran out of abbreviations for who they hire COO, CEO, CFO, CWO, CRO, it's just gotten out of control, and I'm not trying to be disrespectful to the senior management but enough is enough. Stop looking to cut on the backs of the people who delivered. When we were here, you were home.

When the transformation team sat at home the whole time, the 2,000 people that they talked about that they cut, that was before the

transformation team. Yes, we're spending millions of dollars trines formation team. We know how to do it. We have been doing it as labor leaders. We're not standing here as pigs saying we want all the money. We're working with them. When are they going to work with us? When we talked about Brother Utano and the TWU, they all deserve that money, they all deserve those raises. So do all of us. But we are being put back, when in the height of this pandemic they gave out millions of dollars, millions in contract, and they deserve it.

So I've spoken to all the brothers and sisters over at the TWU and ACRE and ALIGN and ATU. They divert it, senators. They deserve it. But, please don't slap us in the face on the commuter rails. Don't tell us now, I'm sorry, we're broke, but we're going to hire a $250,000 a have a year senior management. That's being done.

If you notice, Mr. Foye's statement was, no, we're not going to. He basically said when asked, well we have, I can't say we're not going to, we're going to look at those places. We're

going to look to cut essential workers. I just cannot see how you can do that. We have to stop and really consider. Why not every senior manager that makes over 200,000? Why don't they take a cut? Why don't they take a cut in their salary? That would be a good way to show leadership, but that's not happening. So, thank you, senator, for your question.

SENATOR KENNEY: Thank you, Chairman Simon. And again thank you for your leadership. Recognizing, I'm short on time here. I want to ask one other question and again, President Utano, you alluded to this in your testimony about the pandemic response plan. Obviously this virus upended everything as we know it both here in our country and across the globe and took everyone by surprise.

That being said, there was a pandemic response plan. Can you talk about the implementation of that? Obviously you were not pleased with how it was implemented. But can you talk about recommendations on moving forward and what we can do better in preparing for the

future. Look, we are not out of the woods yet with this first wave. We may see a second wave coming this fall. We need to be prepared. What can we do, in your mind, to get ahead of it at this moment?

MR. UTANO: So right now in my own mind I just learned that they updated a 2012 pandemic plan to 2017. And what they do is they update these policies, they don't include us. We need to be included. We need to be able to tell them what went wrong because we were all on the frontline. We were there with the members. We know what went wrong. They weren't getting the PPE out in the beginning as quickly as we needed it. They were following CDC guidelines, we told them they were wrong. And they said, and that pandemic that they talked about in 2012, they never even mentioned it. It was like they found it, they dusted it off, and that pandemic plan says they're supposed to store masks in case of a pandemic.

So what I'm concerned about, and I guess what everybody should be concerned about, is a second wave coming. If a second wave is coming,

we cannot operate the same way that this first wave came here. We can't. We have to have a mask. If we don't have masks, then we're not going to work because we've got families too. We have families. We go home and we've got, we're going to get exposed to this and we're going to expose our family to this, we need the PPE. That's one of the biggest pieces of the pandemic plan that was not implemented.

They had some masks. They said well, these masks were for PPE, for when you do your job. Yeah, but you're supposed to have masks in case this happens. When Ebola happened, they had a plan, apparently. I don't know where those masks went. Maybe they had a budget cut and they stopped buying masks and were using that masks that they had. You can't keep putting pandemic plans in place without including all the unions. We are the voice of the people. We know what went wrong out there.

SENATOR KENNEDY: Thank you, President Utano. And I'll tell you I hit the nail on the head and I think that's something we will all

advocate for. We know we're in the middle of this have pandemic. We know we're not out of woods. We need labor at the table. We need the people on the frontlines that are understanding the implications at the very grassroots level, and so we will advocate for that.

MR. UTANO: Thank you.

SENATOR KENNEDY: And without further ado I will yield over to Assemblywoman Paulin. Thank you.

ASSEMBLY MEMBER PAULIN: Thank you, senator. Our first speaker is Bobby Carroll.

ASSEMBLY MEMBER CARROLL: Thank you, Chair Paulin, and gentlemen, thank you so much for testifying today. And, you know, the words above and beyond don't go, don't explain the kind of work that all of your members did over the last five months. My grandfather was a TWU Local 100 mechanic in the Coney Island yards. The work all your members do is so essential to making New York run and work. So I would love to get some insight from all of you about 24/7 service in the New York City subways, especially President

Utano. Is it possible, is it safe, should we do it? Because I know it's very concerning for many of my constituents that feel we've lost an aspect of city life and we may not get it back.

MR. UTANO: I didn't hear the beginning of that question, I'm sorry.

ASSEMBLY MEMBER CARROLL: 24-hour service of the subways, is it possible to get back? Is it safe to get back to doing that? Because I know lots of my constituents want to see 24-hour service of the subways continue, or be reinstated.

MR. UTANO: I believe, I believe that if we could sit down with a plan together, we can do it. We have lots of people working here. We have lots of cleaners able to do it. We don't need to bring the private contractors in and spend money. We need to start using the resources that we have in-house. We can't keep going outside, getting consultants and getting everybody to tell us what to do. I think we could sit at the table, and I think we could come up with a plan, yes.

ASSEMBLY MEMBER CARROLL: And can yo

tell me more about those private contractors because I've heard of that. I've heard that the MTA is using them. How many are they using? And why are they not using your members to clean subway stations?

MR. UTANO: Okay. They are using our members to clean. They are using our members to clean. When the pandemic first hit, and they changed the regulations to cleaning every 24 hours, it was a little difficult because of a lot of our members were sick from the virus. Okay, so they brought the contractors in because we didn't have the manpower. But now we're in pretty much full force. We know now what we need to do to protect ourselves, we know we need to wear masks, we need to know, we have to social distance. We know the rules, and if we sit down, I think we can come up with a plan. I think together we can come up with a plan to clean the trains. They have other stuff that they're investigating right now, right, they're doing the UV lights. They're doing the spraying. They now, I believe they're purchasing these sprayers. Our cleaners can go in

and spray the trains just as quickly instead of standing there and wiping it down, you can get those sprays and spray them. And there are other things that they're looking at that can expedite the process.

ASSEMBLY MEMBER CARROLL: President Utano or anyone else, because this goes the same for the commuter retails, in your opinion, how much capacity could the system handle as more people maybe go back to work or school? How many more trains do we need to run? How safe is it for folks to be on subway cars or in buses and at what capacity? Because that's obviously the thing that so many folks are grappling with is, are kid going to start going back to school, are more people going back to work, people moving around. What do we need to do to make sure that your members are safe, but that also commuters are safe and that we have the capacity in the system to make sure they stay safe?

MR. VALENTE: Yeah, I'll touch on that for Metro-North. It's mask, mask adherence. So a conductor can only do so much, tell a passenger,

hey, please wear your mask. The conductor walks away. Same issue five minutes later or ten minutes later. So a police presence on the trains is really needed. They could definitely do things we can't. We've asked for it in numerous letters. It's been pretty much ignored by the officials at Metro-North, even at the MTA. They don't address it.

And the other thing we can do, since mask adherence is difficult and the MTA seems not to want to put the MTA police on the trains is run the most service that you can. And that's something that ACRE has been pushing for, and I know the other commuter rail, Long Island I'm sure would like the same, and I'm sure the TW would also. If you can't put police on the trains to make people and oversee them wearing masks, spread people out as much as you can.

MR. DEJESUS: The problem being is that even though with social distancing, like Ed said, about masks, wearing masks, and the areas that my membership work and drive their bus, a lot of people will fight you on the mask, and the

problem being is the social distancing is hard to keep on a bus, and we're losing part of that bus. And when they start opening that front door, our operators is that the operators will start getting sick again, because when they had that divider, the numbers started going down. The pandemic with this started going down and less operators were getting sick.

But the thing about it is they cannot put this flimsy things, and the last thing use a curtain, we can't move the curtain, you can't see driving at night. But all these provisions they're making, and like Tony said, there's other companies, other bus companies that run in Vegas and they're completely closed off from the public and it protects the operator altogether. So we have to invest in new equipment.

But they're trying all these steps to change something but you're not going after the real problem. The problem is that the operator will close that curtain when they're loading and unloading but what happens when a passenger comes and asks a question and coughs or whatever.

There's no reaction time. There's no way to keep the operators safe. And the thing is, is about the mask.

And the MTA tells you we're trying to have people out there police it. We don't know how. We can't enforce it. We really can't tell them how. And the comments Foye said that we have people wearing masks, I don't think that's fully truthful. Not all communities wear their masks, really.

ASSEMBLY MEMBER PAULIN: Thank you.

MR. DEJESUS: And when school starts these buses are getting more crowded. They really are.

MR. UTANO: It has to be enforced. It has to be enforced by the police, not our members, because our members are always the target. We don't carry guns. We transport people to where they got to go safely to get to their job. When we become the targets, they have TBTA people, they have police, MTA cops, they have transit cops. They need to do some kind of hit and continuous hit to show people that

sporadically they're going to pop on buses, they're going to pop on the trains, and then people are going to say, I better wear my mask, and they've got to enforce and it maybe give you a person a ticket for not wearing a mask. You know what? Give them a $100 ticket. And I know it's hard for people to pay the ticket, but you know what, it's a lot harder to go to a funeral for somebody who passed away because you didn't wear your mask.

ASSEMBLY MEMBER PAULIN: Thank you. Thank you all. Does the senate have anybody who wants to ask questions?

SENATOR COUNSEL: Senator John Liu for five minutes.

SENATOR LIU: All right. Thank you very much, Madame Chair. I want to thank Tony and Jose, Mark, I know he's taking care of other matters, and all the other leaders for your work, your advocacy not only for your members but for the riding public and for warning that transit workers were being infected at very high rates, much higher than the rest of the population early

on in the pandemic. And I'm very glad that the MTA finally came to providing the unfortunately, the death benefits for the large number of transit workers who have succumbed.

When we get the MTA leadership or management in front of these hearings, I often ask them about financial matters just because over the years it's not always easy to believe what they say when it comes to operating matters because you ask them operating questions, they tell you one thing, and then we get the people who actually do the work in the tunnels and on the streets, which is all of you guys, and we get a totally different answer.

And so I just want to be clear that what I'm hearing in your initial responses and in your response to some of these questions so far is that you think the system can, can go back to a 24-hour system. Is my understanding correct or there's some provisos to that?

MR. UTANO: I think, I mean, you guys want to answer? But I'll answer. I believe yeah, we could and we should go back to a 24-hour

system and figure out a plan to disinfect those trains. We have the cleaners. We have the people, and disinfect those trains and buses.

SENATOR LIU: Because the MTA is basically, they basically say that they can't go back to 24 hours because they need time to clean the system, and meanwhile your members are doing the cleaning and the maintenance. It's kind of relatively new to me that they're hiring a lot of outside people to come in to do the cleaning, but operationally you think it can be done with TWU and the current workforce.

MR. DEJESUS: The thing about it, senator, we're not asking to reinvent the wheel and that's what MTA keeps trying to do, try to reinvent the wheel. Meantime, there's a workforce between Local 100 and all the other unions that they have guys there. If you do the proper training, they can do the job and then do the job wholeheartedly because they know what's at risk, and that's the difference. That MTA is looking outside, looking beyond what is sitting right in front of them, with these union workers that are

willing to do the work. And that's our biggest fight with them. You have them sitting in front of you. The farm system is right in front of you. Use them.

SENATOR LIU: Okay. That's very helpful.

MR. SIMON: Senator, I agree with that. We're fully prepared as a union, as a membership. My organization represents conductors as well as cleaners, and we're fully prepared. But you've got to utilize us and talk to us about what you think is best, and get our opinions. Don't -- the easy thing for them to do, and it seems like the MTA it's always easy to just shoot a phone call out to a consultant. That's just easier instead of getting us in a room and figuring it out.

We have full service right now. We're prepared. Let us do our jobs that we do best, we've been doing all along instead of taking the easy course and going to consultants. It's at this point now, where they're throwing away money. And I think in that report that came out where Ms. Feinberg from the transit talked about how there are so many consultants here that we

don't even know where they are. Well, you know where our members are. They're very easy to be found. We're working.

MR. KELLEY: Senator Liu, Robert Kelley. I'm in stations. Cleaners fall under me. Our cleaners have been operating with the ridership from the beginning of time, with high pressure hoses and doing a phenomenal job. We don't work on GOs, but some from time to time. But whe contractors came on, the authority gave them GOs to work with, so that they can prove they are better than us. They failed. They straight up failed.

Our workers are the best in the business, sir. We clean every day with crowded platforms, we rope things off. We're professionals. We do this every day. We certainly can. This system needs to open up 24 hours. This is the moral fiber of what New York City is built on, that's the bottom line. We can handle it.

SENATOR LIU: Thank you. You know, one last quick question, which is the MTA said they need all this money. I hope that they get all

this money from the federal government, but again, it's important to know what the numbers really are. Out of the $12 billion that Pat Foye is asking for now, that includes $2.7 billion of expense basically, over expenditures over the next four years, about $2 billion of which is within that $12 billion.

So my question to you, Tony and the other leaders, have you all gotten a huge pain crease? Because the MTA seems to be spending $2 billion more in operating costs.

MR. UTANO: No, but I wanted to let you know that Anthony said they were putting jobs out for $200,000, it's more like 300,000. They hire the transformation officer McCord? I don't even know where he is. What are they paying him for? What does he do?

SENATOR LIU: So what do you think --

MR. UTANO: [unintelligible] [02:59:15] we ain't getting that money, you know. We ain't getting that money. These gentlemen don't have the contract. I have a contract. And they should get a contract, right. But what are we asking

Joint Hearing Impact of COVID-19 on MTA, 8-25-20

for, two percent raises? [unintelligible] [02:59:29].

SENATOR LIU: I think what I'm hearing from you is that they're actually, they are contracts, not labor contracts, but contracts with these outside companies that are being brought in to do work that we already have a workforce at the MTA ready, willing and able to do.

MR. UTANO: Yes, absolutely.

SENATOR LIU: Thank you. Thank you very much for all the work that your members do.

ASSEMBLY MEMBER PAULIN: Thank you ve much. Our next assembly speaker is Phil Palmesano.

ASSEMBLY MEMBER PALMESANO: Can you me.

SENATE COUNSEL: Yes.

ASSEMBLY MEMBER PALMESANO: Thank y First I wanted to say thank you, gentlemen, to you, and your members on the frontline for what you all did, what you continue to do, and what you sacrificed to keep things running and moving

Joint Hearing Impact of COVID-19 on MTA, 8-25-20

during this COVID pandemic, so I'll thank you again to you and your members.

I did want to have more of a, it's not so much a question, I just wanted some more input from you gentlemen if I could. First, I want to direct it to Mr. Simon. You guys may have covered some of this in your testimony, but I think it's important to go back over it and hear it. I wanted to see from Mr. Simon, maybe you and others afterward, if you could talk about what SMART and your broad based membership you represent, has done as essential workers. Maybe describe some of your efforts and actions and, of course, the challenges you encountered trying to keep moving forward in keeping things running, and probably most importantly, as Chairman Kennedy mentioned, what recommendations would you would you to offer to all of us, the MTA for improvements, help in making things better as we continue to move forward in situation for everybody?

MR. SIMON: Thank you, assemblyman, for that question. You know, our organization from

day one, we were 24/7. What I did as the leader of the organization, I made accessible every single union official who worked around the clock at what we put together on the Long Island Rail Road as a command center. That command center was manned 24/7. We helped with the management side to facilitate either people coming to work or not coming to work, because we weren't getting enough information as far as whose healthy and who's not healthy.

So the union stepped up with our smaller resources that we have, because all of the managers were home, working remotely. And what we did was we facilitated the crew management book. We facilitated getting people the proper rest they needed. We actually did the job of crew dispatching, what managers do because we wanted to keep our members safe.

What I recommend to the agency and that this panel holds them accountable to is start tapping into the resources of the labor organizations who have 30 plus years experience, I know I have 30 plus, I know Tony has 30 plus,

the other gentlemen. I mean, we have the experience to show you how it's done. We're not looking to hurt anybody. We're not always having our hand out. If I remember correctly, they came to us, the pandemic, they weren't prepared, and it was the unions who made it work. It was us that made it work. It was us that stepped up, it was our members who stepped up. And at the end of the day, we went three months trying to figure out how to keep our members safe and how to get PPE to our members.

I mean, on the Long Island Rail Road at some point we were making our own sanitizer. We were making it with getting liquid, they were given have giving us cloth to fill in a bottle and mixed it with cloth to -- it was absolutely out of control. Mask compliance was a problem. First we needed them, then we didn't. But you didn't see us running to the newspapers, you didn't see us beating them in. What we did was we worked with them. Mr. Eng and I were in constant communication and I was in communication with Foye, but there was a disconnect. There was a

disconnect. They should tap into us instead of running to a consultant. You can negotiate a contract with a consultant but the people that are putting their lines on the line for you, you cannot negotiate with. That makes no sense whatever. That is actually throwing money out the window. And I think at this point, what they can do is start listening to the organizations who have been there for them since day one. Thank you.

MR. DEJESUS: Well, I remember back in February, we were having meetings [unintelligible] [03:03:46] about the PPE and the masks, and they sat there and told us, no, it was not possible, it is not receivable. We had enough masks for them to work, for the guys to work on the brakes and work on the buses and work on the transit systems that are needed for that. In the meantime, we argued just to give it to them to give them a sort of comfort. And in the long run what had was when they didn't have it, ATU unions got together with the 726, was able to get us masks, get masks from different suppliers that we

gave it our members, gave them masks, as many as they needed, gloves as many as they needed, get as much hand sanitizers that we could. And we begged and borrowed and did what we needed to do to take care of our members.

And when MTA came to us about with different proposals, we did not argue, like Anthony said, we didn't argue with them. We made it work. We listened to what they had to say and we made it work. And when we took it on to our members and some did it gratefully and some did it willingly, but they did their jobs because they needed move New York. People, they needed to get people from place A, to work and back home to their families.

And the thing about it that gets me is like Anthony said, we're not always looking for the handout, we're looking for the greater good. And our members are loyal to this city and are loyal. They just want their fair share. They want to get a day's wage for a day's work. That's all they're looking for. And don't treat them any differently than our sister unions and try to

Joint Hearing Impact of COVID-19 on MTA, 8-25-20

divide us among each other, when we're all working for the common purpose, is for making the system run and doing our jobs.

ASSEMBLY MEMBER PALMESANO: Thank y

gentlemen. Thank you to you again and all your members for all you do for us. Thank you.

ASSEMBLY MEMBER PAULIN: Thank you. Senate.

SENATE COUNSEL: The Senate recognizes Senator Shelley Mayer for five minutes

SENATOR MAYER: Thank you. Thank you, chairman and thank you to my friends, Tony, nice to see you, and Ed, and to our other union leadership. I want to echo what Senator Kennedy said. I mean we really have to step back and thank your members who stood up and took enormous risks and really paid such great consequences across the board, especially, I know the TW local members and all of you. And I have one question first for Tony. Is there any current format where you or your leadership from TW is meeting? Whoops. Is meeting with the management of the MTA about how to deal with these operational programs

or challenges? Are you meeting with them? Are you in a regular conversation about that?

MR. UTANO: Operational --

SENATOR MAYER: I mean the issues of having the trains be 24 hours, how many no layoffs, what are the staffing needs.

MR. UTANO: I have not been called to have a meeting, no.

SENATOR MAYER: Not a single meeting with Chairman Foye?

MR. UTANO: Not in the past, I haven't met with them in, I don't know, maybe, the past two months.

SENATOR MAYER: You have not met with Chairman Foye in the past two months?

MR. UTANO: No.

SENATOR MAYER: Is that true for your other, the other union leaders who are here?

MR. DEJESU: My ATUs have been meeting for impact bargaining and has turned away from impact to basically griping on needs that we need to do for our members and different things that were needed. And we always get the same runaround

answer from week to week, and never an answer and it never goes anywhere.

SENATOR MAYER: Understood.

MR. DEJESUS: And it got to the point from the last meeting to say give us somebody that can give us an answer, please, because this is ridiculous. We're chasing our own tail.

SENATOR MAYER: Yes, I understand.

MR. UTANO: Just so I'm clear, right. What we're talking about operations, like just stuff that's going on every day not related to the pandemic, but related to the pandemic, layoffs or anything around that area, no, I have not met with them.

SENATOR MAYER: No, I'm not talking about your usual HR kind of issues. I'm talking about the big issues we are talking about here that you set out, Tony, at the beginning, enforcement of the mask policy, testing, these kinds of issues about how this major economic engine for our city and our region is going to continue to work.

MR. UTANO: No, we sent them ten-point

plan in the very beginning that we had, and we didn't get a response. But some of the stuff on the ten-point plan has been implemented and some not. The latest is the NYU study that we sent them, we wanted to do a study. They didn't respondent, so we went from NYHU and said we want to do a study, we want to know what happened here. It's the same group that did the study for the 9/11.

SENATOR MAYER: Right.

MR. UTANO: And now they're trying to get into the study. And we welcome them into the study. We want to see what happened here. We're not trying to make this a big movie here. We're trying to find out what happened, because we want to prevent it from happening again.

SENATOR MAYER: Absolutely.

MR. UTANO: And in the very beginning when they said they didn't need masks, I was at that meeting that Jose was at, and I directly told them we were told once before that we didn't need masks. Remember when the trade center went down and they said the air was good? Well, today

3,000 trans workers showed up to that pile, and today we have people dying from that because somebody in the EPA said you didn't need a mask, so we said, we want to wear a mask. And they said it wasn't part of the uniform, and then they came off it. But every single thing we had to do was always a fight. It wasn't always like, okay, you guys are right. It was always a fight. But we haven't met. And I don't know about these gentlemen but I haven't, I haven't sat down with them.

SENATOR MAYER: Well, I was interested in yours. Ed, I have a question for you. Is there a markedly diminished presence of the Metro-North police on these trains, on your train?

MR. VALENTE: Yeah, unfortunately there's zero police presence on the trains. Unless they're called because of an incident, they're actually not, they don't ride trains in their daily routine. They stay at stations. And something we've been pushing for since January, due to an assault and a pattern of assaults over the years, was police officers that are solely

responsible in their duties to ride the trains. And it doesn't take that many to create a presence on the trains. You know, you take two police officers, start one in the front, start one in the back, and they walk to meet, right, and the passengers realize, wait, there's police on the trains.

And that's something we've been pushing for and even more so now with the issues with the masks. It's really very difficult for our conductors to enforce that. It's impossible without police enforcement supporting Metro-North, the Long Island Rail Road, the subways, the buses, because we're not police officers, like President Utano said. We don't carry a gun. We don't have that authority. And I've asked in multiple letters to President Rinaldi and Chairman Foye for police on the trains for this purpose, and I've been ignored. So, it's disheartening to say the least.

ASSEMBLY MEMBER PAULIN: Thank you.

SENATOR MAYER: Thank you for your comment on the pregnancy. As you know, I will

intend to follow up with Metro-North about that. Thank you.

MR. VALENTE: I appreciate that.

ASSEMBLY MEMBER PAULIN: Thank you ve much. Our next assembly speaker is Assembly Member Steve Otis.

ASSEMBLY MEMBER OTIS: Thank you, gentlemen, and thank you for what your members have been doing and are going to continue to be asked to do. And as ridership increases, we all understand that the exposure to people that may be carrying the virus is going to be out there. And so your members are very brave.

I have a question. Just back to the mask issue, as it relates to customers. And for New York City Transit, subway and bus, for Long Island Rail Road and for Metro-North, for each of these units, what is the hard and fast rule? And is there signage on buses or on cars that say you can only ride with a mask? And what is the stated policy? And it may vary between conveyance here, so I'd like you to go down the four that I listed and let us know what is being done right now.

Joint Hearing Impact of COVID-19 on MTA, 8-25-20

MR. DEJESUS: On the buses, there is signage. There is a message set every 15 to 20 minutes, [unintelligible] [03:12:40] are bilingual to wear a mask, but as for the enforcement part, there is really no enforcement that a bus driver can enforce that unless he calls the command center, and the command center is going to tell him keep the bus moving basically.

And then what the problem is, it puts the operator in a certain predicament because the public, the riding public is going to look to the operator to do something. So now we've got a confrontational issue. And our drivers are not -- having too many operators assaulted, spat on, or verbally assaulted and called names, especially our female operators. And the thing about it is we don't come to work to drive a bus for that reason. They want to get people to where they need to go, but they're subject to that, and MTA is leaving that door open and not closing it or trying to close it and use the people around them, especially in other transit hubs, the main

transit hubs and show police a presence. That we can't get, we can't get them to promise that.

ASSEMBLY MEMBER OTIS: And what about the subways?

MR. UTANO: On the subways, they are starting to put stickers around the cabs and social distancing stickers and our conductors are making announcements to wear the masks. But again, if there's no enforcement, I mean, we can make all the announcements we want. I'm not advising any of my members to go out and say you've got to wear a mask. We need some police presence. We need somebody on the train to walk around and say, you need to put your mask on or you need to leave, you know, if you don't want to get the ticket, then you need to leave. If you're not going to follow the rules, I go into a 99-cent store, if I don't have a mask, I get thrown out of that store, so why should it be any different on a subway? You go in a subway. You know what? You do not even have to wear a mask. You can wear a face piece, right, they've downgraded it that you can just put a face piece

around you. So there's no excuse where people say they can't get a mask. They could wear a face piece. It's just about enforcement. That's the problem.

ASSEMBLY MEMBER OTIS: I mean, in a store people can be in and out of a store in two minutes. You're on a conveyance, it's an extended period of time, so it heightens the risk. How about the commuter rails?

MR. SIMON: As far as the Long Island Rail Road, I think public affairs and public relationships in my opinion have been doing a good job getting the message out there and the conductors putting the message out there. But it still goes back to what Tony and everybody says. Compliance, we get into confrontations. You can't put our frontline employees in that predicament, you just can't put them. Safety is supposed to be the number one concern, and at this point, as Ed said and we've all been echoing, they have what they -- years ago, they used to have train patrols. They have none now, for police. Train patrols were police. We're begging them to put

train patrols back on. Like Ed had said, they start from the front and the back and work their way to the middle.

When you see a police officer, I remember back in the day, when we had state troopers our trains. Well, nobody did anything. The state trooper walked through that train, just the presence that of state trooper. All we want is the MTA police to start focusing on the commuter rails and start putting train patrol back on the trains so that we can feel safe again.

So as far as the information that's going out there, we can't force them to do it, like Tony said, we can't say oh by the way -- we all have heard horror stories about somebody telling somebody to put a mask on and it becomes violent. So get the train patrols back on the trains where they should be with the MTA police and maybe that would help.

ASSEMBLY MEMBER OTIS: Metro-North?

MR. VALENTE: Yeah, I mean Anthony said it perfectly. So did Tony. I mean, that's the

issues we have. We do have signs. The conductors make the announcement. But we can't enforce it. I actually asked if this was enforceable by law enforcement beginning early on, and I didn't get a response, so there's really no clear cut policy from the railroad on what's enforceable, what the police will do, and zero police presence on the train, is a recipe for disaster.

ASSEMBLY MEMBER OTIS: Thank you all. Thank you.

MR. DEJESUS: Thank you.

ASSEMBLY MEMBER PAULIN: Thank you. Thank you very much. Senate?

SENATE COUNSEL: Chair Leroy Comrie for five minutes.

SENATOR COMRIE: Thank you. I want to thank all of you, the union presidents for speaking up today and talking during the hearing, listening to the MTA and giving us the feedback. I just wanted to follow up on the line of questioning that Shelly Mayer started regarding how much consultation have you been getting from or talking to the MTA about the pandemic work and

your challenges working with the pandemic. So I think all of you said that you haven't had any real feedback or opportunity for confrontation with them in the last three months or so. Is that correct?

MR. SIMON: I can speak on behalf of Long Island Rail Road. The only thing we're getting is they're letting us know how broke they are and how bad it is and we can't sit down at the table with you. You know, that's again another slap in the face. And going back to the relationships that all these unions have built, that in itself, we have built relationships with not only the Senate and Congress, you know, and they've asked us to help with the funding and we've done that.

So why are you not talking to us yet? You want us out speaking to Congress and Senate for the funding, which we think is proper, but yet you're not having a conversation with the union leaders about what our members are worth, what they deserve and the safety of them. I mean at this point, we're getting tired of hearing of

how broke you are when you're not cutting from the fat at the top and you're talking and you're sending messages out to our employees who were here for the pandemic. The messages you're sending them, oh, by the way, we might to have lay you of you off.

That's an absolute disgrace and I think they should be ashamed of themselves for saying that or even thing along the lines of looking at essential workers to be furloughed or to be laid off. It just doesn't make any sense when Tony and I and I both said it, $200,000, $300,000. I was being generous. If one of those jobs you want to look for, they're online, they're two or $300,000 jobs. It's insane.

SENATOR COMRIE: I brought it up, as you know, from the hearings that we first had of the issue of all of the jobs that are on the books but off the books at the MTA. Sarah Feinberg mentioned it, but from her sounding today, they already got to her, so she's already spun what her original focus was. I was very sorry to hear her reaction. I didn't want to call her on it at

the time, because I was short, but clearly, she is starting to drink the water unfortunately.

So, we need to do everything we can to work with you, all of the unions, and I know that while we can't do direct contract negotiation, that there needs to be an understanding that the essential workers need to be maintained ahead of the management. And I did ask her whether or not she would get a real chart on and a real update on what their employee status is and who is there at the MTA. They've never provided that type of transparency as to all of those people that are working in management there.

And to hear that management was too chicken to even come out during a pandemic to support you guys out in the frontlines and they were doing it from their offices is very disappointing, also. So I want to say that I'm just so proud of all of the work that you guys are doing. Ed, I've gotten your request regarding the assaults. I don't understand why you're getting so many assaults up there and it has not been addressed. We will work to make sure that

the MTA is making sure that they're working with PD up that way to do more.

For whatever reason your people are being assaulted and is that's something that we should not tolerate. Anyone who is assaulting an essential worker during this time needs to be punished to the full extent of the law allowed.

I can't thank all of you gentlemen enough for what you're doing. Please keep in constant contact with our offices so that we can help advocate for you so that we're not doing it after they testify but before they come to the table, so that they can know that it's part of the process. I hope that also tomorrow at their board meeting, you're submitting your testimony as well, so that the board can know the frustration of the unions as well.

They should not have to balance their budget on the backs of the essential workers. While we know that this is a difficult time and an uncertain time with federal funding, there is no need to eliminate the people that are actually providing the service. You guys are the tip of

the spear. You've lost a lot of people that wanted to work because you had a desire to keep the system running.

That has to be commended, but it has to be respected, and it also has to be understood by the MTA that they should provide opportunities for the essential workers to keep their jobs ahead of management and consultants. So I want to thank you for your service. I want to thank you for your continued efforts to fight. And you can count on us in the legislature to back you up as much as possible. Thank you all for being here today.

MR. UTANO: Thank you. Thank you so much.

ASSEMBLY MEMBER PAULIN: Thank you have no more assembly speakers. I just want to also mention, like the assembly members who did speak and the senators who just spoke, we just really want to be here to support you. We want to keep you safe, your families safe. We've heard today so much about that concern above all else, as we all feel during this horrible pandemic, and

so I was wondering, I think Tony you mentioned you had a list of 12 items. Were they all related to safety?

MR. UTANO: Ten-point plan.

ASSEMBLY MEMBER PAULIN: I'm sorry, t

point plan?

MR. UTANO: Ten-point plan, we can send it over to you.

ASSEMBLY MEMBER PAULIN: That would b

great. I would love to see a copy of that and to know from you which ones were implemented and which ones weren't. I also wondered along those same lines and same questioning that I've heard, has there been any conversations about cost savings or cost cutting, or for your input across the board, Metro-North, LIRR, subways, transit system? Because we're hearing that there could be dire consequences if there's no federal money. Has there been anything in advance so that, you know, we and you have some sense of what might happen?

MR. SIMON: Can I just make a quick comment on that? It's kind of hard coming to the

unions when they've been delivering all along and saving them even during a pandemic, showing them how to cut costs so that we can get through this pandemic, and to ask the unions to keep cutting and ask for savings to the unions while they're not showing it themselves, I mean, put yourselves in our shoes as leaders. How do we go to our members and say to them, oh, by the way we've got to cut a little bit more, we've got to take away from this, we've got to knock away your crew book and we've got to take away from the size of the crews, or the amount of the hours you work when we have upper management making the astronomical salaries that they're making while sitting on a zoom meeting at home.

I can tell you we have 11 branches on the Long Island Rail Road. I traveled all 11 branches during this pandemic to check mask compliance myself personally, to talk to my crews, to talk to the men and women, what they were feeling. I have been out there to the track department. Janno Lieber mentioned about 500 projects being done. Well, who did that? Who did

that? It was our members, my track workers. We were out there. They were on Zoom. They were home. And I'm sorry, but I'm passionate about the fact that I had Senator Kennedy come out and see the work that our men and women did on the track department and he was amazed at the work that they do and that all the other unions do on the track, and yet those 500 projects that we accomplished, they cut the ribbons yesterday.

Wow, that's wonderful, wonderful ribbon cutting. Did you see anybody there? Did you see any workers there? Social distancing, I understand, but you could have social distanced and thanked the employees that were there during the pandemic. I'm upset about that. I'm upset about a lot of things that when you come down to it, you're asking to us to cut. You don't want to give us a contract, which understandably we may not have money. But you have money to pay these salaries and get these consultants in.

So, no disrespect to Tony and his great workforce, but during the heart of the pandemic, the heart of the pandemic, they got back pay and

they got their raises. God bless you, Tony, and your membership who deserves it, but what are we? Are we second class people that we don't deserve that? Where did you find that money from? That's the question that should be asked. Where did that money come from? Thank you.

ASSEMBLY MEMBER PAULIN: No, I hear w

you're saying you and you make excellent points and there has to be more of a dialogue clearly going forward or we're not going to get through this whole thing, so the lack of a dialogue is very concerning.

SENATOR COMRIE: I hear what you're saying also. I put in a transparency bill to look at management at the MTA. I hope that we can get that bill passed, because I'm sick and tired of them dodging that question about transparency in their upper management. There are a lot of people that are there that even, as I said earlier, Feinberg realized she doesn't know who the hell is there and getting all this money in upper management.

And it's time the MTA comes clean,

especially now. So we hope to help you and we understand clearly what you're going through and we want to do whatever we can to call the MTA on that so that they can be totally transparent about where they're spending their money in management and in contract.

MR. DEJESUS: The thing about it, senators and assembly, Tony's contract at 100 wasn't done last week or last month. It was done last year, before the pandemic took effect.

ASSEMBLY MEMBER PAULIN: Right.

MR. DEJESUS: So, they understand that their pattern of bargaining happens. What happened to that? What happened to that money? What happened to -- I just don't understand how you could be so shortsighted, and yet during these meetings they're talking about money happening three years from now, but when it comes to labor, they're very shortsighted with us.

ASSEMBLY MEMBER PAULIN: No, I understand.

MR. DEJESUS: And they expect to put the brunt on our backs.

ASSEMBLY MEMBER PAULIN: Got it.

MR. VALENTE: And just to add one more thing, I think everyone said it really well, but during the pandemic, the essential workers showed up every day, came in, ran the trains, cleaned the trains, were there for the mechanical issues, and management was at home. So if you look at those two things, right, it just shows who is really needed.

So to look at the essential workers and say, hey, you know you guys need to take a cut. Well, you want to sacrifice service to take a cut? That doesn't seem like the right way to go, especially when we should be spreading people out, running more service. It didn't work in the great recession reducing service. That actually hurt us coming back. So it's not the right way to go about it.

ASSEMBLY MEMBER PAULIN: No, I understand what you're saying. All right, well, thank you very much. That concludes this panel. We have --

SENATOR COMRIE: Thank you all.

ASSEMBLY MEMBER PAULIN: Yes, thanl

We have our panel three. However, my understanding is that panel four, neither of the two people who were going to testify are able to, but one of them has a substitute, so in texting with Senator Comrie back and forth, we agreed to just merge that one speaker. Maybe she could even go first or he. And then we could go on to panel three.

MR. JUSTIN WOOD, DIRECTOR OF ORGANIZING AND STRATEGIC RESOURCE, NY LAWYERS FOR THE PUBLIC INTEREST: Hello. Good afternoon. Hi. This is Justin Wood. Eman Rimawi, from New York Lawyers of the Public Interest is unfortunately out sick today, so I am able to read her testimony. And I can go now or after the other panelists, whatever is best.

ASSEMBLY MEMBER PAULIN: Why don't go now?

MR. WOOD: Great. Thank you very much. So this is the testimony of Eman Rimawi, who is the Access-A-Ride campaign coordinator at New York Lawyers for the Public Interest. Thank you

Joint Hearing Impact of COVID-19 on MTA, 8-25-20

very much for the opportunity to speak with you about the effects that COVID-19 has had on Access-A-Ride customers, who are also New Yorkers with disabilities. Thank you to Senator Kennedy, Senator Comrie and Assembly Member Paulin. The work you're doing in your committees is vitally important.

Needless to say, we find ourselves in troubling times under COVID-19. As an Access-A-Ride user, I am grateful that the MTA has implemented several safety measures to keep its customers and drivers safe. However communication need to be improved. So far, it has been left up to the community to let each other know what is going on, rather than announcing these changes in the citywide MTA newsletter which goes out monthly. To [unintelligible] [03:30:42] other of the customers who use access-a-ride would be against the Americans with Disabilities Act and it sets a dangerous precedent, the discrimination of any kind against people with disabilities is okay.

As a double amputee with lupus, I can

tell you it's never okay. I have been a customer with Access-A-Ride for 11 years now. I have experienced everything under the sun, from accidents to screaming matches with rude drivers to sexual harassment to six-hour rides. I've gone through it all simply because I'm disabled.

Before COVID-19, I used Access-A-Ride six days a week. Most days I'd be out of the house around 7:00 a.m. and wouldn't return until 7:00 or 8:00 in the evening. Why? Because I had an extremely packed schedule with early morning meetings or classes, meetings scattered throughout the city, work to do in the office, workshops at various elected offices, and outreach all over the city in places that serviced people with disabilities. I often would say as long as my above knee leg was charged, I'd be good to go.

I was relieved that Access-A-Ride implemented several new rules that drivers and independent contractors within the MTA should abide by. I also want to particularly thank all of you state legislators and your colleagues who

co-sponsored and voted to memorialize these rules in law in the spring legislative session, despite the bill ultimately being vetoed.

The rules are that all drivers must wear masks and gloves, that shared rides are discontinued to allow as much social distancing as possible within the vehicle, that all vehicles are disinfected at least daily and the dedicated blue and white vehicles are regularly treated with antimicrobial shields. That rides have been free, which avoids having to exchange cash between drivers and riders. That recertification is automatically extended to avoid in-person assessments, many of which we viewed as onerous and inefficient even before the pandemic.

And for the time being, the on-demand Access-A-Ride pilot has continued without caps on rides or fees. However, we remain deeply concerned that not enough riders have access to on-demand dispatch technology, which should be widely available and that restrictive caps and fees may very well be implemented by the MTA in the future. And finally, extensive wait times

between consecutive rides on Access-A-Ride have been eliminated or reduced.

However, my experience is that Access-A-Ride is still often making customers wait an hour or more for rides, and during a pandemic that feels particularly unsafe, as we often have to wait in lobbies, entry ways to buildings and other places where social distancing isn't possible.

I experienced it myself when I had several doctors' appointments in multiple boroughs last week and needed safe and fast rides to get me where I needed to go. Everything else seemed to be in place, which made for a safe, reliable and affordable ride all day.

This may surprise some people who have heard me testify at the monthly MTA board meetings, but it made a huge difference to my day to make it all work better. Because some of my appointments changed, I used a combination of broker service and on-demand service which made it easier, faster, safer and quicker. I wouldn't be able to do that if the MTA were to go ahead

Joint Hearing Impact of COVID-19 on MTA, 8-25-20

with a plan to reduce the on-demand service, especially once it's safe to start going to offices again.

The Access-A-Ride program, the MTA and the City and the state have a responsibility to make sure people with disabilities aren't forgotten or ignored during this crisis. And because of the ADA, this is also the law. The communities that are most in need, it's our job to make sure that these communities' needs are met.

We also want to recognize that many elected officials, and thank you again, as well as transit riders and workers around the city, state and country are now begging Washington literally for the federal funding needed to save transit, and we share this sense of urgency and thank all of you for your efforts to save the MTA.

We know the transit agency desperately needs that money, including Access-A-Ride. For these services to be cut or discontinued would be devastating for people with disabilities who rely

Joint Hearing Impact of COVID-19 on MTA, 8-25-20

on accessible transit and paratransit to get to healthcare appointments, jobs and to live our lives. I don't want to think about what would happen if people are cut off from transit. I've experienced enough death in my life and that is ramped up during COVID-19 among my close friends. We need to take all of this seriously. Our lives depend on it, including mine. Thank you very much.

ASSEMBLY MEMBER PAULIN: Thank you very much. Now going ahead with panel three, does anyone want to go first? Rachel, Lisa, Danny, Colin? Should we pick? You want to pick? Someone unmute them. Colin is unmuted. There you go.

MR. COLIN WRIGHT, SENIOR ADVOCACY ASSOCIATE, TRANSIT CENTER: Thank you so much. Chair Comrie, Chair Kennedy, Chair Paulin and members of the Senate and Assembly Committees on Transportation and Corporations, Authorities and Commissions, I'm Colin Wright, senior associate at Transit Center. We're a national foundation dedicated to improving U.S. public transportation.

Joint Hearing Impact of COVID-19 on MTA, 8-25-20

Thank you for to your service to New York State during the COVID-19 pandemic. I appreciate the opportunity to testify before you today on the unprecedented challenges facing New York's MTA. Though overall ridership is down, New York City has depended on buses and subways throughout the pandemic. Essential workers continue to rely on transit as they provide medical care, stock grocery shelves and keep basic services like utilities running.

Bus service should be distributed to meet the needs of these workers and prevent crowding onboard. However, new data from transit app shows crowding is more concentrated on bus lines in lower-income and black and brown communities, where large numbers of essential workers live. The BX3 route, which travels through the Bronx and Upper Manhattan and the B35 route between Brooklyn's Brownsville and Sunset Park neighborhoods, for instance, appear to be more crowded than lines serving more affluent areas of the city.

Transit Center has urged the MTA to

address the inequities of bus crowding by reallocating service from low ridership routes to high ridership routes. Members of the legislature can help by pressing the MTA to revise schedules each month and reallocate services to meet the needs of black, brown and low-income New Yorkers.

Transit Center also has called on the MTA to set objective benchmarks that will trigger a return of late night subway service. For instance, the number of consecutive weeks with the positivity rate below one percent.

Now I'd like to discuss the n MTA's five-year capital program, a historic and hard-fought investment in our region's transit system. While New York rightly focuses on the short-term dangers posed by the virus, we must also remember the serious long-term problems plaguing our transit infrastructure. The signal system is ancient and failure prone. Hundreds of stations lack access for people with disabilities. Subway cars that should have been retired long ago are still pressed into service.

Failure to address these problems will

have devastating long-term impacts on the region and will exacerbate inequities among our neighborhoods. The consequences of unreliable, inaccessible subways are felt most acutely by New Yorkers who do not have the means to live close to Manhattan. Riders with low incomes tend to lose more times to delays than affluent riders, and accessible subway stations are scarcer in neighborhoods with more affordable rents.

Given the practical limits on the authority's spending due to COVID-19, the MTA must make every effort to complete maintenance work and capital upgrades at costs competitive with peer agencies. The MTA can stretch capital funds farther through the following two measures. First, tight fiscal constraints will make the need to prioritize projects within the capital program even greater. We urge the MTA and state officials to shift focus from expansion projects like the Second Avenue Subway toward investments that serve the many essential workers who continue to rely on transit today. Core track and station maintenance, signal modernization and

accessibility upgrades to the existing system must be the top spending priorities.

Second, the MTA should review transit capital costs from other large cities with old rail networks and use industry averages as benchmarks to assess its own progress on cost reduction. Benchmarking based on construction costs of older transit networks in cities in North America and Western Europe will help reveal which MTA practices are out of line with its peers and must be altered.

Under Janno Lieber, president of MTA construction and development, the MTA has identified a number of project management and procurement reforms to increase efficiencies. For example, by bundling projects to take advantage of track outages and we commend these steps and believe they have the potential to reduce construction costs. Making cost control goals highly visible to the public will strengthen the MTA's case for politically challenging decisions, like shutting down segments of track continuously instead of drawn out night and weekend work.

An effective model is the MTA's on practice of reporting performance targets for subway and bus service. There are no equivalent targets or metrics for MTA construction costs. Setting firm public goals for cost control is an essential step toward building trust in the MTA. Now we understand that none of this will be possible without a federal rescue of our transit system. That's why we urge the legislature to play an active role in demanding the federal government deliver adequate resources to keep our transit system running and to move stalled congestion pricing approvals forward.

If fare hikes or cuts to the capital program become necessary, we ask the legislature to work with the MTA on a robust public process and to hold a hearing next fall to assess the ongoing impact of COVID-19 on the agency's ability to maintain the system's core infrastructure. Thank you for the opportunity to testify this afternoon.

ASSEMBLY MEMBER PAULIN: Thank you ve much. Kwacey, am I saying your name right? I

think you're next.

MR. KWACEY COGGINS, ESSENTIAL WORKER/MEMBER OF THE NYPIRG STRAPHANGERS CAMPAIGN: Yes, you are. Yes, you are. Hold on. I'm going to pull up my testimony. So hello, good afternoon, my name is Kwacey Coggins. I am a member of the NYPIRG Straphangers Campaign and I'm an essential worker. Thank you for inviting me to testify today. I'll be sharing my experiences as an essential worker and a bus rider this year.

During the pandemic, I have worked as an essential employee at a large retail store in several locations across Queens and Long Island. I have been depending on many different bus routes, the Q44, the Q20 A and B, the Q42 and 83, as well as the e-train and the Long Island Rail Road to get me to and from work as safely and timely as possible.

I am speaking today on behalf of the essential workers across the city, because we deserve better service regardless, but especially now. Essential workers are the people who have

kept New York City going during this difficult time. In New York over 840,000 essential workers, particularly depend on transit for their commutes.

I have regularly taken the Q44 every day with local hospital staff on an overcrowded bus. Working during the pandemic has been stressful and scary. But what made the experience worse was bus service. I cannot depend on it. During these times, these buses have been as slow and unreliable as ever. I have been late to work several times because slow and inconsistent buses initially, as many routes were chronically overcrowded because of the pandemic, with bus ridership returning faster than subway service to about 60 percent.

My bus routes are again, packed and making the social distancing I practice the rest of my day impossible during my commute. When I was working in downtown Flushing, commuting from Jamaica, it was awful to get to Flushing. I would take two buses with a transfer in between, which is trouble because a double bus driver is a

double liable on my trip. The first leg of the trip is into downtown Jamaica on the Q42 or the 83, local or unlimited, two routes that I am lucky not to miss them since they're functioning at three independent routes. If they all come at the same time, it can be 20 minutes or more until the next one. From downtown Jamaica, I would transfer to either the Q44 or the 20. The 44 is a select bus route that gets me to Flushing faster than 30 percent during the worst of the pandemic. But there are times when I have waited half an hour for it to arrive. Other times, I just give up and take the local, the local up to get off at the Q20.

Throughout that means, I am for a long ride. Hopefully I brought a book. The commute was bad, but it was even worse to hearing from management, you're late. Managers where I work must write you up. Employees must [unintelligible] [03:45:29] for being late more than three times and they fire you. In this economy I can't afford to get fired, which means I cannot afford to be late.

Sometimes I work overnight and it is difficult to get home. I had to pay many times to Uber home from work because the buses, the bus did not show up. I can't I pay for one every day. I know that MTA has recently cut overnight service, subway service, while I take the bus to work. I know that people who work overnight shifts, who have faced the same complications I've had to with my bosses.

Every time I get to work late, I risk losing my job during the pandemic. With the unstable economy and all the risks I'm taking just going to work, I shouldn't have to worry about losing my job or losing my income because of unreliable bus service. With a third of the New York City workforce facing unemployment, we cannot allow New Yorker use jobs due to poor transit service. Service cuts and fare hikes would be devastating to those like me who continue to travel to jobs and help reopen the city each day.

New York City cannot recover if essential workers cannot get where we need to go.

Joint Hearing Impact of COVID-19 on MTA, 8-25-20

We need the state to make sure the MTA has the money it needs to not only keep service running but improve it. The MTA should bring back overnight service as soon as possible or let riders know when it plans to do so.

We also ask that the state ensure the MTA does not raise fares on riders, especially when so many New Yorkers are unemployed, or struggling to pay for MetroCard.

And finally, the MTA should make sure that they are making mask wearing easier choice of riders by keeping mask vendors full. Essential workers are the people who have kept New York City going during this difficult time, and I am speaking today on behalf of essential workers across the city who deserve better service now more than ever. Thank you for your time, and have a nice day.

ASSEMBLY MEMBER PAULIN: Thank you ve much. Rachel.

MS. RACHAEL FAUSS, SENIOR RESEARCH ANALYST, REINVENT ALBANY: Good afternoon, Chairs Comrie, Kennedy and Paulin and other members of

Joint Hearing Impact of COVID-19 on MTA, 8-25-20

the Senate and Assembly Committees on Transportation and Corporations, Authorities and Commissions. My name is Rachel Foss. I'm the senior research analyst for Reinvent Albany. We advocate for more transparent and accountable stage government including for authorities like the MTA.

First, we want to thank you for holdings this oversight hearing on the MTA and the financial impact and operational impacts of COVID-19. We strongly support increased oversight by the legislature, particularly in times when state government is acting in an emergency capacity.

And we ask that you hold an additional hearing this fall on the MTA, ideally in November. This oversight will be important prior to the MTA's release of a November financial plan and adoption of a '20-'21 budget in December, given its dire financial condition. It will also ensure there's greater public transparency and opportunity for comment on the potential fate of the 2020-'24 capital program, which is currently

on pause.

These are difficult sometimes for the MTA and all New Yorkers and we are fully cognizant of the political difficulty that the MTA faces in providing information about scenarios that are likely if federal funding does not fully make up for their deficit. Therefore, the state legislature has the responsibility to riders and taxpayers to ensure that the MTA and those it serves come out of this crisis as unscathed as possible.

The MTA's financial crisis is of a magnitude never experienced before and comes at a time when the MTA was already on precarious financial footing. Its debt services reached record levels, nearly 20 percent of operating revenues before COVID hit, and the massive drop in fare revenue and tax receipts means now that the MTA is losing $2 million a week. Any options for addressing the MTA's deficit must learn from the past and ensure that riders in future years aren't suffering under a transit system so saddled with debt, it can't maintain service or a

states of good repair.

The only option that will not create devastating consequences for riders remains Congress providing a massive infusion of emergency aid of more than $10 billion.

My written testimony has more detail on the following items, which I'll summarize for you. First federal funding for the MTA would benefit not only the New York City region, but the nation as whole, as MTA spending creates jobs across the United States. I encourage to you look at our report, "Investing in the MTA is Investing in America", if you've not done yet, it's on our website and in my written testimony.

Second, deficit borrowing is a last resort option for the MTA, given it is huge debt loads, it's nearly $2.8 billion in 2020 alone for debt service payments. Debt service will reach 26 percent of operating revenues next year. This is up from 11 percent in 2004. And large amounts of additional debt could cripple the system's future.

Also on MTA debt, we recommend that the

Joint Hearing Impact of COVID-19 on MTA, 8-25-20

Federal Reserve's municipal liquidity facility program, which we had heard from MTA today that's that they tapped at a limited level, this could be improved further with zero or very low interest rates and longer-term borrowing. This would make any small amount of borrowing by the MTA more feasible. I know Bob Foran mentioned that they saved $12 million versus what they would have on the public markets. If the program were improved further, they could save even more money.

And second, the legislature should require an independent debt affordability study conducted by the state comptroller to determine the true red line for MTA debt. Third, MTA dedicated funds must be protected from raids. Part of the $12 billion deficit stated by the MTA and the governor would include $600 million in reductions by the state if federal funding does not come through for New York State as a whole.

This raid, if advanced could be rejected by the legislature through the state budget adjustment process and we also call on the

Joint Hearing Impact of COVID-19 on MTA, 8-25-20

legislature to lockbox mass transportation operating assistance funds. These are for the MTA and transit systems across the state by moving them off budget and no longer subject to appropriation. This was done for the payroll mobility tax and other MTA in 2018 and 2019, and as you know, the congestion pricing is lockboxed as well.

In moving some of these funds off budget, the division of the budget even said the following, it will remove the state's unnecessary involvement as a recipient of these funds and accelerate the availability of these funds. We think there's no reason that this should not also be applied to the MTA's largest source of dedicated funds, MTOA.

And lastly, the MTA should look further at opportunities for sharing crowding and cleaning information as open data. This would help build greater trust to the public as if they can see the information themselves, they will have more confidence making decisions about riding subways.

Joint Hearing Impact of COVID-19 on MTA, 8-25-20

And lastly I'd like to say that we support Senator Comrie's request for a full list of COVID-19 emergency contracts with the MTA. This should be released publically as open data to not just the legislature but the public at large, along with all MTA contracts.

Thank you so much for your time. My written comments have a lot more information so I'll leave it right there. Thank you.

ASSEMBLY MEMBER PAULIN: Thank you ve much. Lisa, Danny, you choose?

MS. LISA DAGLIAN, EXECUTIVE DIRECTOR, PERMANENT CITIZENS ADVISORY COMMITTEE TO THE MTA: I'll go.

ASSEMBLY MEMBER PAULIN: Thank you.

MS. DAGLIAN: My name is Lisa Daglian and I'm the executive director of the Permanent Citizens Advisory Committee to the MTA, PCAC, created by the state legislature in 1981. Thank you for that, PCAC is the MTA's in-house rider advocacy organization, representing riders on New York City subways and buses, on the Long Island Rail Road and Metro-North Rail Road. Thank you

for holding this hearing today. It's been really informative.

We also greatly appreciate you outreach to the New York Congressional delegation in support of additional federal funds for the MTA and its millions of riders through the end of 2021. As you've heard extensively this morning and will hear more this afternoon, the MTA is the most dire fiscal situation it's ever faced. The agency is literally going broke helping move New York.

Without another infusion of emergency federal funding, the MTA will be forced to make difficult choices including deep service cuts, reduced cleaning, fare increases, harmful layoffs and a significant reduction in the MTA's capital program. Without this critical federal funding, the transit system has the potential to down slide into a death spiral from which it could take years, even decades to come back and riders will be the biggest losers.

Pandemic and emergent work from home efforts have changed commute patterns maybe for a

year, maybe forever. A survey by Partnership for New York indicates that only 26 percent of employees are expected to return to the office by the end of the year, 83 percent of them will rely on public transit. That means there must be safe and sufficient service to get people where they need to go when they need to get there.

Clearly, given the lack of federal responsiveness, it's time to look under every couch cushion to find every available dollar to spare riders in our region from a very bleak. We have some thoughts on a mix of funding possibilities and ask for your support in exploring these avenues, more of which are detailed in the written testimony we submitted.

We understand that there may be tens of millions of dollars available legislature set aside funding, also known as CPRP money for capital projects. While that won't fill the congestion pricing hole, it could help advance important projects. We're asking you work with the MTA to identify key projects from a reasonable regional perspective.

Joint Hearing Impact of COVID-19 on MTA, 8-25-20

It's time to revisit potential dedicated operating revenue sources, as unappetizing as that may be. MTA board member and our chair, Andrew Albert is on record of in support of raising the gas tax and our MNRCC and LIRRCC chairs agree. We support a 15 to 20-cent per gallon gas tax increase which could be phased out or adjusted as other funding sources come back online. Our back of the envelope tally indicates in the gas tax doubled from eight cents to 16 cents, an additional $494 million a year would be raised. If it's tripled from eight cents to 24 cents, an additional $988 million would be raise raised.

While we know that the City and State are also hamstrung by lack of federal support, we would like to see if there's a way that the $3 billion each in state and city funds could be moved up in the cue to allow the capital program and economic benefit it generates to commence.

The MTA would also choose the unappetizing route of going into more debt. Now, it's generally not a good solution and we're not

sold on it now, but unfortunately it's it's a reality that we could soon face.

Making the MTA's financial and capital project data available and usable in searchable formats would help all of us better make the case for funding now and into the future. Regular and transparent reporting to the legislature could spur the actions we've been calling for over the years.

I've been back to riding for months now. And it's clear at that ridership is way down, but starting to come back. The people are still clearly concerned about catching the virus. The MTA has taken significant efforts to clean and disinfect trains and stations, but there's more that it can do to convince riders it's safe to return.

Projects we're asking about include expanding to subways and expediting on Metro-North, real time alerts onboard trains and at stations to let riders know where crowding is occurring and directing them to less crowded stations. Implementing and expanding the MYmta

Joint Hearing Impact of COVID-19 on MTA, 8-25-20

bus crowding pilot to all buses would also be helpful.

Additional rider friendly improvements we'll be talking to them about include creating an onboard cleaning dashboard with real time and historical data by station, adding daily and monthly ridership by route line, time of day and station stops, including historical, aggregated rider counts to the transit performance dashboard, establishing the capacity of each station and providing the percentage of capacity reached in real time and making crowd source crowding information for subways available for real time.

Thank you again for holding this hearing. We'd like to see another in the fall with updates. But would also like to echo the call we heard about restoration of 24/7 subway service. Thank you for your questions on that today.

Essential workers have needed and continue to need service at all hours and buses cannot replace subway service. With milestones

and metrics rightly being the cornerstone of the state's reopening, we urge similar publicly disclosed metrics for restoration of overnight service. We've heard reliably there are lines outside some subway stations waiting for service to begin again at 5:00 a.m. Since the majority of overnight use has historically been between 4:00 and 5:00 a.m. we'd like to see a more immediate metric-based option for rolling back closures to restart service at 4:00. Anything you can do to help move this forward is much appreciated.

Of course, the surest and best way to get all of the funding needed so that all of our transit system needs can be addressed is to spur the federal government to enact and to invest in transit and its rider. Thank you.

ASSEMBLY MEMBER PAULIN: Thank you ve much, and Danny.

MR. DANNY PEARLSTEIN, POLICY AND COMMUNICATIONS DIRECTOR, RIDERS ALLIANCE: you so much for having me, chairs and committee members. And thanks so much for the MTA labor executive and to my fellow panelists. I

appreciate everybody coming out on such a tough occasion for such an important purpose and I want to second what the folks here have said. I think it's really, really important, all these points have been made and they bear a lot of further discussion and examination.

I would start by where Lisa left off, which is the urgent need for federal funding that can't be overstated. Our biggest concern, I think the biggest concern for New York and its future should be the prospect of major fare hikes and service cuts. They must be the absolute last resort the of the MTA. We desperately need federal funding to replace the funds lost to COVID and if by catastrophe, the funds don't come or they don't come soon enough, then every effort needs to be taken to avoid fare hikes and service cuts because they will do the most lasting immediate damage to New Yorkers' livelihoods and lasting damage to the city and to the state and even really the national economy.

And that's why everything must be done to avert those to keep the transit system

Joint Hearing Impact of COVID-19 on MTA, 8-25-20

running, to keep the millions of New York New Yorkers in transit now moving forward in transit, to make the system available to millions more who will want to come back in the coming weeks, months and over the next year.

And really, the alternative transit is a transit death spiral and our city, our region really will ground to a halt. If that happens, we are uniquely dependent on transit. That is one of our struggles, being uniquely dependent on transit American cities. But really, we are, you know, our unparalleled vibrancy owes to the density that transit supports and really, we can't come back without it.

More specifically, I guess, to hit a couple of other points, congestion pricing is something that cannot happen soon enough. We are ready for it. We are more ready for it now than before. That's why we so appreciate your consideration, the last state budget seconding support for congestion pricing. [unintelligible] [04:01:34] to make it applicable to MTA operations, MTA discussions with the federal

government, expedite it in any way possible, either via administrative or legislative routes.

And when it does happen and when it come back it New York, it's incredibly important there be no new exemptions. Congestion pricing is robust and fair as it was written to the last year's state budget. It must be implemented the same way. There should not be more carve outs. They will make work less well and they will undermine trust in the system and in the government that backs it. So it must go forward. It must go forward with no new exemptions.

Moving forward to the capital plan the congestion pricing will help fund. Given that the capital plan is now on hold and that a new program will have to be envisioned and put forth, we agree with the process points that my colleagues have made about the how to do that in the light of day and with the participation of riders. But we also believe that at the end of the day, it must emphasize basic state of good repair. We can't depend on subway signals from the last greatest crisis of the city's history

during the Great Depression. We can't depend on subway cars that date to the 1960s. And of course, we need to afford all New Yorkers the dignity to the subway they can access. We need an accessible transit system. And that something that can only come through the MTA's capital program that must be prioritized in the MTA's capital program.

So again, signals, subway cars, elevators and ramps. That's what we need to bring the subway back better than ever when we're able to resume and reprioritize the capital program.

And then lastly, I want to talk about the service that riders need and the support that riders need right now from the MTA, which is of course transit service, right. It needs to be a focus on the core of the MTA's basic operations. That starts with 24/7 service. Overnight commuters have punishing commutes already, that we've taken away their subway option is devastating to them. It doesn't matter if it's one percent or two percent, it's tens of thousands of New Yorkers. Essential workers by

and large, [unintelligible] [04:03:36] need to get to work as easily and quickly as possible. we owe them subway service. We must bring subway service back. If you seen from the transit app data that reported in The Daily News that bus service is dramatically unequal across the city. The heaviest ridership buses are experiencing the worst crowding, and you have buses running empty across Central Park in the middle of the day. There must be service reallocation. It's the equitable thing to do, it is essential for racial justice in the City. We must see that happen soon. The MTA must embrace it. They will be elevated, supported, rewarded for doing that.

And then, finally, and I'll just touch on this very, very briefly. There is money in the MTA budget for MTA police to police subway and riders. We think that money needs to be spent on service. We need as much service as possible. That's the way to keep New Yorkers safe, that's the way to build an equitable recovery. Thank you so much.

SENATOR KENNEDY: Thank you very much,

Joint Hearing Impact of COVID-19 on MTA, 8-25-20

Danny. Is that all the speakers for this panel? I believe it is.

ASSEMBLY MEMBER PAULIN: Yes, I think so.

SENATOR KENNEDY: Let me start by making a statement, thanking each and every one of you individually and the organizations that you represent. I think in the last what would it be, 20 months we have made extraordinary strides in the MTA system and that has been system wide, from the tip of Long Island all the way up to the highest peak of Metro-North and of course in through the great City of New York.

And we would not haven't able to accomplish what we have without all of your input, energy and support and advocacy, quite frankly and we are very much reliant upon all of your work in helping to inform us on where we take it from here. This is no different. So thank you all for participating in today's public hearing. This is very important information that you've all shared.

And I think each of you touched on

various aspects of things that we've heard already, whether it was from the administration and questions that our colleagues had brought up, to the leadership of the labor organizations representing the thousands of workers on the frontlines, making the system run. You brought up some critical points. Also, the congestion pricing plan, the implementation of the congestion pricing plan, the focus on expanding the capital plan, ensuring that the system has the funding from the federal government, as well and what do we do until then.

So these are all important points that you have all brought up and I'm just very grateful for all of your efforts. So again, thank you so much.

Two quick things I want to throw out there. Anybody feel free to chime in. I know Danny, you even alluded to it, but others have as well, on the importance of restoring that 24/7 service. Right now, there is a gap in service between 1:00 a.m. and 5:00 a.m. It's to clean the cars. I brought it up earlier with the MTA

leadership. They spoke to that point. I want to hear about the impact it's having on the ground with the ridership.

And also, regarding the Access-A-Ride and the accessibility I know that the testimony we were going to save until later on in the further panel discussion that came forward regarding Access-A-Ride. The state legislature passed legislation extending the Access-A-Ride accessibility and eligibility, especially for the remote areas for those appointments and whatnot. That legislation was vetoed, and it was done so based upon the information that we got from the administration, from the MTA saying that it was redundant. So I'd like to hear if there were any comments on that as well.

I think each and every one of us has been focused on making sure that we are not only getting the system up to where it should be, where we're 30 years past due with the Americans with Disabilities Act and making sure we have that accessibility for all riders. But at the same time, what can we do with the technological

advancements that are available to us today to achieve those same goals? So I'll throw those two ideas out to you, and again are thank you all for taking part in this today.

MR. WOOD: Thank you, senator. I could start really quickly on the issue of Access-A-Ride. Just to reiterate, we really appreciate the legislature and everyone here and Senator Comrie and Assembly Member Dinowitz for initially sponsoring those bills that would have extended all of these protections, which we do acknowledge the MTA has done a good job of implementing. But we were disappointed in the veto, obviously. We would like those protections to be extended in state law to Access-A-Ride users.

We also think there's a lot of win-wins in there that we continually reach out to MTA and Access-A-Ride leadership about, with things like reducing in-person assessments. There are cost efficiencies there as well as eliminating onerous requirements on people with disabilities. And we want to continue to look from win-wins. Things like using taxis and on-demand dispatch

technology can also be really be win-wins in terms of reducing the high cost of the system, while making it more responsive and bringing it into the year 2020 in terms of the technology.

So we were disappointed in the veto, but we think it was really important that the legislature passed those bills unanimously and we got a veto statement that really reiterated a commitment to these safety measures. And so we really hope to keep working with all of you and your committees to still push for innovation and real reform in the paritransit system statewide.

SENATOR KENNEDY: Thank you.

MR. WRIGHT: I was just going to jump in for the one part of that question. There are a number of tools that the MTA, once construction picks up again. There are a number of tools they could employ to bring down the cost of some of these projects. Transit Center has been out and open on the record with a few of those, including elevators that go directly from the street to the platform, a new policy that is being shopped around to local elected officials in New York

City that would change zoning law to take advantage of development that's happening within the city to have developers make various concessions to the MTA in order to provide access through their buildings to subway stations. That would tremendously reduce the cost of certain elevator projects within the city. So there definitely are ways that the MTA could bring down the cost of projects.

And I also want to comment on your question about the effect of the late night closures on riders. And I'm sure that my colleagues will have more to say on this. But I've heard personally from riders who are -- people that, the one percent that Chair Foye has mentioned, the 10,000 plus people who rely on the subway system during that time, these are people late night shift workers, who are cleaning hospitals, providing medical care late night, really keeping the lights on in New York City.

And without adequate subway service and adequate bus service to pick up the slack and now with the cancellation of the MTA's overnight for

hire vehicle program, there are a lot of people who are literally stranded and unable to find adequate means of transportation and the MTA is leaving them to fend for themselves.

So what we have called for at least for the MTA to, and Governor Cuomo, to articulate a series of objective measurements that would trigger the return of late night service. We think gyms have objective measures that are triggering the return of gyms. We think that the same is possible for the subway as well.

SENATOR KENNEDY: Thank you very much. I'll yield back to you.

ASSEMBLY MEMBER PAULIN: Oh, I didn't know if you had another moment to just comment op 24/7 service or do we need to move on?

SENATOR KENNEDY: Absolutely. Go ahead, Lisa, and then we'll pass it back over to the assemblywoman.

MS. DAGLIAN: Thank you. We have, since the announcement in May that overnight service was going to stop, been asking for information about how long it takes to clean stations and

subway cars. That's reasonable information to look at. How long it takes to get homeless from the system to the help that they need. We have not yet received that information from the MTA. Those we think would be very helpful, that would be very helpful in determining and helping to set the metrics of what is needed for [unintelligible] [04:12:59] so that it could be shrunk or revised or at least looking to the future, what is going to be, how we're going to be able to restore 24/7 service from a metric-based fashion.

And I think that looking, gathering some of that information would be helpful not just for preparing for future emergencies and looking to see what the costs and effects are going to be in terms of cleaning and homeless and getting homeless the help that they need but looking at this restoration. And when I was out handing out masks at subway stations and on the mask patrol, I was told firsthand about people who wait in line 5:00 o'clock in the morning to get into the subways because they need to be work by 6:00 or

Joint Hearing Impact of COVID-19 on MTA, 8-25-20

by 5:30 and there's literally no other way for them to get there, since it's too short a distance back when the essential service connector was running and they don't have a bus near them.

So, looking at, taking all of that information, listening to some of the anecdotals, listening to what some of the labor folks said about ways that their members could contribute to the conversation, I think gathering as much information as possible to be informed and to be cautiously appropriate in reopening or rolling back closures is really necessary. So thank you.

SENATOR KENNEDY: Thank you.

ASSEMBLY MEMBER PAULIN: Thank you, both. So I have a couple of questions. First, let me start out by saying thank you to everyone who testified on this panel. You have been such teachers to me, in my years now as corporations chair, on this issue in particular so I really appreciate that. You know, you more than any other group of citizens outside of the workers and the administration, follow the transit

system. That's your mission as advocates. And so, I wanted to just ask you some real general questions. What do you think we should be doing? I know you're saying we should have another hearing in the fall. What else should the legislature be doing at this point, what should we be doing as the oversight committees for the MTA? Is there anything you can think of in terms of a more active role for us, question number one?

And, two, what should the MTA be doing more actively than they are? What should the unions be doing more actively than they are? From your perspective, what can we do together to make, or collectively make this horrible situation a little better?

MS. FAUSS: I will start and I know my colleagues will have more to say. Like I said at the beginning of my testimony, we really appreciate the hearings you have held and I think they are extremely beneficial and that's why we think another one this fall before any decisions get made before the next year's budget will be

real, really important.

There should be more clarity about the federal funding situation in the next few months or even if there still isn't, we're getting closer to that time when the MTA is going to have to adopt a budget. And I think your role in probing and getting the right questions asked so the public has an understanding of what's happening and can weigh in is going to be really important.

The second thing I referenced in my testimony, I'll just reiterate, is that you are the stewards of the MTA state funds. They have a number of dedicated funds and the legislature has been I think doing a great job making sure to put them in lockboxes like congestion pricing, the internet sales tax, the mansion tax, moving the PMT, payroll mobility tax off budget.

I think it's time for the mass transit operating fund to also be moved off budget, so that it's protected in future processes. Because the legislature can reject a cut to it that might come to the state adjust process but it would be

better to have it go directly to the MTA. It'll be more seamless and it won't be subject to the political kind of negotiations. And I think it would be extremely beneficial. So I would encourage you to look at legislation to that effect.

ASSEMBLY MEMBER PAULIN: Anybody else

MR. WRIGHT: Yes, I'll jump in as well. Thank you for the question. I want to start off by saying that I think we all commend the work that of course that the MTA and the unions are doing. I firsthand have seen the MTA passing out masks. There is, I think, a very visible campaign for riders to wear masks. And the evidence seems to be that that's one of the most important factors in being able to reopen and being able to reopen as a city and also as a subway system.

I'll just again reiterate, in my testimony I think New York State, the legislature, the governor, really needs to be on the U.S. Department of Transportation to ensure that the approvals for congestion pricing move through and do whatever you can to get the

federal funding that the MTA really needs.

I know that that's not a very wonky or policy-oriented question, but I think that right now, if we could all be united as leaders in calling for as much resources from the federal government as the MTA needs, I think right now that's task number one.

ASSEMBLY MEMBER PAULIN: Thank you. I just have one other follow up. When it was announced that there were going to be 500 new transit police or whatever the number was, right, everybody was almost unanimously as groups, you didn't like it. And I wondered, if in light of the mask issue that we heard today, the workers don't want to be there with people who aren't wearing masks. The riders don't want to be there and it's perhaps causing ridership to be even worse than it might be and might hurt increased ridership in the future. Do you think there's role there? I'm just asking the question. I know Danny you spoke about trying to redirect that money. But I'm just hearing everybody's testimony today and wondered what you thought.

Joint Hearing Impact of COVID-19 on MTA, 8-25-20

MS. FAUSS: I can speak for Reinvent Albany. We still believe, we didn't support the expansion at the time. We thought that a reallocation and a better look at how the existing NYPD police force was deployed would be a far more cost-effective approach. There's 2,300 NYPD officers that patrol the subways. I think that --

ASSEMBLY MEMBER PAULIN: But what abo

LIRR and Metro-North? We don't have any police who do that.

MS. FAUSS: Well, I think there are 500 MTA police that are -- about 780 MTA police pre-hiring of the new officers who were both bridges and tunnels and Long Island Rail Road and Metro-North dedicated. So I think that for us, the question has been about the deployment of the existing police force.

And when you're looking at a more than $10 billion deficit out through 2021, I think the pause that's been putting on the hiring of additional officers, there's been 170 officers hired to date, I think given the huge deficit

Joint Hearing Impact of COVID-19 on MTA, 8-25-20

coming in the future, additional hiring should not be done at this time. That's our view. It's best to look at the existing numbers that they have, whether it's MTA working closely with NYPD or looking at its current police force and figuring out how to better deploy them in Metro-North and Long Island Rail Road.

ASSEMBLY MEMBER PAULIN: Thank you. Anybody else?

MS. DAGLIAN: I wanted to go on the record. We did not join the letters that my colleagues regarding the 500 MTA police officers. What we -- and I just wanted to clarify that and why. What we called for was data driven deployment. And data should be really the cornerstone of all the efforts that the MTA is making not just now, but pre-pandemic, post pandemic in the work that it does.

And so we don't know where the police are that have been brought on. I think it was 130 have been hired. We've seen a decrease in mask compliance. It's something that's not being enforced and that's something that's I believe

Joint Hearing Impact of COVID-19 on MTA, 8-25-20

statewide. And that was a decision made at many different levels of government. So if there is going to be a decision to increase or to implement mask enforcement, mask compliance, then I think there should be a lot of conversations about how that's going to happen. Not just who is going to do it but how it will be done with the workforce that ends up doing it.

ASSEMBLY MEMBER PAULIN: Thank you.

MR. WRIGHT: And just to add to my colleagues' comments. The question of whether or not to hire police officers is on pause now while the MTA hiring freeze is in effect and Transit Center agrees completely with Reinvent Albany's assessment of the budgetary impacts of hiring 500 police officers.

I will say the Transit Center also has on the record given recommendations for how transit police could be better utilized on the subways and on the buses. We've called for removing police from fare compliance on buses and decriminalizing fare evasion. We think that the MTA, especially as it moves to all door boarding

on buses with Omni should work with DAs to avoid criminalizing New Yorkers, particularly black, brown and low-income New Yorkers. And the MTA's current eagle team, which is the name of the transit police force that checks for fare evasion on the buses, we think it should be overhauled to include anti-bias and de-escalation principals and really utilize more of customer service approach than a criminalization approach.

And to that end, Transit Center has seen a growing number of cities across the United States, joint increase the presence of unarmed ambassadors on board to check for fare evasion and other issues on board. We think that moving toward a less punitive, less criminalizing approach is the way to go here in New York City right now.

ASSEMBLY MEMBER PAULIN: Thank you. I appreciate it. Senate.

MR. WOOD: If I might just jump in as well. We don't have a real cost analysis in terms of the MTA to bring you today but something New York Lawyers for the Public Interest and our

whole coalition in New York City have been advocating for is crisis response teams that involve responses to mental health crises, other than armed police officers, which has been a highly successful model in other cities.

And of course, in the transit system there's a high likelihood of armed police encountering people in mental health crisis and this often leading to violent outcomes. So, something we would be interested in working with state legislature on in the coming year, as well as all of our colleagues in the advocacy world, is looking at how this could be specifically piloted or introduced in the transit system, among other things.

And we've been working with the public advocate in New York City and other local legislators pushing for a pilot program in starting with precincts that have a very high rate of violent encounters between police and folks in mental health crisis in New York City.

ASSEMBLY MEMBER PAULIN: Thank you. A right, with that now, turning back over to the

Senate. Thank you.

SENATOR COMRIE: Thank you. We don't have anyone else that has any questions. I just want to thank the panel for your continued advocacy. And I would hope that you would keep it up as the things that you mentioned are important, that the public understand, and I would hope you continue to engage the public, especially in light of the fact that we need the public to weigh in heavily on the issues that are outstanding, and especially the need for the MTA to go back to 24 hours.

Also, the things that you mentioned regarding revenue raising that the MTA can do and budget cutting, we need the public to actually advocate more on that as well. Honestly, I'm a little dubious that we'll get any congestion pricing money any time soon, especially in the next six months. But even after that, with the state of the world that we're in right now, you know how much money we get from congestion pricing is going to be subject to the state of the world and unfortunately, it's not good.

So I think we need to look at raising more money internally, to maintain our capital program, to readjust at that capital program. So I wholeheartedly agree with you that we need to have another hearing in the fall before they come out with their capital update and I will advocate with my chairs to make sure that happens because I just don't see any progress on congestion pricing between now and the end of year, especially with this administration. There needs to be some things that we need to be able do to be self-sufficient within our own state and those are hard decisions that we're all going to have to make together.

As far as the for-hire vehicle, and the Access-A-Ride programs, I want you to thank you for your support of the bills that you asked me to sponsor and I'm happy to continue to advocate for them and improve them, so we can eventually get them passed. I think the Access-A-Ride program should be a vehicle for-hire type of program, once they improve the technology so that those folks that are in most need of

transportation don't have to stand outside for hours or be embarrassed if they come downstairs or come out of a doctor's appointment late. So it's a necessary upgrade that we need to do in a for-hire vehicle program that is now disappearing with a little help for those essential workers from the 1:00 a.m. to 5:00 a.m. and that need to be continued in some way, shape or form.

So I want to thank you all for your advocacy. I'm hope you're all testifying again tomorrow. I look forward to continuing the work with you in our state fight to try to make sure that our transit system is as transparent as possible.

And also, that remind me, the questions that you raised along with myself about the transparency within the MTA is something that we continue to have to push for. It's ridiculous that this agency that is looking for billions of dollars in assistance can't be as transparent as we need to be on the legislature and everywhere else. And as transparent as they're asking their essential workers to be and their unions to be

Joint Hearing Impact of COVID-19 on MTA, 8-25-20

with give backs, they have to be as transparent as well to gain the public trust.

So thank you all for your continued advocacy. I look forward to working with all of you. Thank you.

MS. DAGLIAN: Thank you.

MR. PEARLSTEIN: Thank you, everyone.

MR. WOOD: Thank you.

ASSEMBLY MEMBER PAULIN: Thank you. That concludes our panel. We're going to call up panel number five. Are they all in the room? I see Nicole. I see Rachael. Why don't we begin with the Manhattan Institute?

MS. NICOLE GELINAS, SENIOR FELLOW, MANHATTAN INSTITUTE: Good afternoon, Assemblywoman Paulin, chairs Senator Kennedy, Senator Comrie, thank you for inviting me to testify this afternoon. COVID-19 is the biggest threat to the downstate region's mass transit system, and thus to the city itself since the invention of the Model T. In the short-term, as you heard this morning, the impact of the pandemic on the MTA's ridership and finances far

surpassed the impact of previous crises.

I'll give you just couple quick examples. After September 11, 2001, for example, the subway system lost two percent of its riders until 2002. Ridership recovered and exceeded 2001 levels after just two years. After the 2008 financial crisis, the subway system lost three percent of its riders because of the impact of unemployment and fewer people commuting. Ridership recovered and exceeded its 2008 levels within three years. Similarly, after 9/11 and after the 2008 financial crisis, the MTA lost less than one percent of its passenger fare revenue in the first instance and fare revenue actually rose slightly after 2008.

That was partly because of fare hikes in those two years, but it speaks to the greater capacity back then to increase fares with high ridership versus capacity today. In fact, after 2008, the MTA's biggest program financially was not a loss of riders or fares, but a substantial loss in real estate related tax subsidies as the housing bubble bust.

So this time is very, very different. As of last week, subway ridership remains three-quarters below normal levels, commuter rail ridership fares even worse, with Metro-North ridership now down 81 percent, which speaks to the fact that the white color workforce has not returned in any substantial numbers to Midtown Manhattan.

Now, again, just reiterating what you heard this morning, the MTA has never experienced this type of substantial and prolonged drop in its ridership. Although the MTA is already planning for a fare hike for next year, no fare hike can make up for this catastrophic loss in revenue, as well as the historic loss in tax subsidy revenues that you heard about this morning. Now, that's the short-term picture.

I'm not that worried that Congress won't come through with another round of rescue funding for the MTA. It is quite likely that Congress will come through with more aid, either later this year or early next year. It is the longer term picture that that is frankly more worrisome.

Although it's impossible to know for sure, there's a real risk that the pandemic may herald long-term pattern changes in white collar working and commuting patterns. Before the pandemic started, more than three-quarters of the nearly four million people who commuted to core Manhattan each day arrived on public transportation. Most of those people, more than two million people, came in every day on the subways, most of the remainder came in on buses, your commuter rail and a smaller amount on the ferries.

The pandemic has revealed that most white collar workers can perform their job duties as home, at least some of the time. And if you think become back to some of the transit strikes we've seen in the past, we had strike in 2005, a strike in 1980 and a strike in 1966, white color workers did everything possible to get to their offices because they could not work at home. Technology has reduced the white collar dependence on the transit system and frankly reduced the white collar dependence on the urban

environment itself.

Now, that's not to say that white collar workers will stay at home five days a week forever. But is it a real risk that once the pandemic is over they come into the office two days a week or three days a week instead of five days a week? Yes, that's a real risk and that itself has a big impact on MTA finances when you consider that more than half of transit riders before the pandemic bought a monthly pass. That's important revenue to MTA.

So, what can we do and in fact this situation is more like what happened after World War II, getting back to the Model T comparison. The mass marketing of the car after World War II, up until now has been the greatest threat to the transit system. And that indeed lowered transit ridership for three decades after World War II, until the MTA started to turn this around in the late 1970s, early 1980s.

So what can the state legislature, the city government and other levels of government to make a difficult recovery hopefully a little bit

less difficult? Yes, of course it's a given that Congress should come through with this new money. On the operating side, each MTA transit agency should be proactively going to each of the union bargaining units, ask the unions to come up with clear, measurable cost savings through enhanced productivity. The union members know the working conditions and, you know, how to improve the work flow better than anybody else. The unions can bring these potential cost savings to the management in order to avoid a wage freeze, in order to avoid layoffs.

On computer railroads, for example, we could do cost savings by introducing some gated fare entry, not having to check every single passenger's ticket onboard commuter rail. On the capital side, on all these construction projects, to get more work done per scarce dollars spent, the state legislature should consider revising the prevailing wage laws for construction jobs to allow the MTA's construction contractors to eliminate duplicative construction jobs.

In terms of new revenues, I think the

MTA should explain better what its strategy is to overcome these supposed environmental review delays in Washington. Is the MTA considering suing the federal Department of Transportation for example? Would the MTA consider going ahead with the congesting pricing work and letting itself be sued by the federal government and arguing to a judge that the federal government's delay is indeed a constructive answer that they don't need to do an environmental review?

But even if congestion pricing starts up on time which it should, it is likely to bring in less revenue than it would have without the pandemic. In the short-term, in terms of fares and toll hikes, toll hikes on the bridges and tunnels are preferably to fare hikes on transit. We don't want people to form a new habit of driving into the city and also a fare hike essentially right now is a tax on essential workers.

What we don't want to happen is white collar workers gingerly coming back to the transit system saying, you know what, I'll take

the railroad into the city, see happens and being greeted with a slower commute, delayed trains, an unpredictable commute, people not wearing masks and then deciding, you know, I'm not going to do this anymore. I will wait a few more months and see what happens.

And finally, I will say a quick word about crime, although it's not in my prepared remarks, because some of the previous panelists talked about crime. Crime is indeed up significantly on the subways over the past four months, when you adjust for ridership and also in some crime categories, just the raw numbers.

We've had four murders on subway this is year, all four murders were minority men. We usually have two murders for an entire year on the subways. And every rider is at five or six times the risk of being robbed or assaulted compared to last year. So crime is another concern this terms of how do we get the ridership back and how do we speed this difficult recovery up.

Thank you, again, for inviting m to

Joint Hearing Impact of COVID-19 on MTA, 8-25-20

testify. And I'm happy to answer any questions or comments.

ASSEMBLY MEMBER PAULIN: Thank you ve much. Our next speaker is Denise Richardson from Citizens Budget Commission.

MS. DENISE M. RICHARDSON, VICE PRESIDENT OF RESEARCH, CITIZENS BUDGET COMMISSION: afternoon. Thank you for the opportunity to testify. I'm Denise Richardson, from the Citizens Budget Commission. In the interest of time, I will summarize my written remarks.

It's clear that the MTA needs additional federal assistance. However, as CBC noted in its July report, the MTA must make its own hard choices to solve its financial problems. The choices will require shared sacrifices by all constituencies, including the MTA must work with the labor force to implement additional savings by increasing the efficiency of operations, reducing overtime and reducing personnel costs. The MTA must forego new headcount. It simply cannot afford new hires at this time.

The MTA must also rescope the capital

program to focus on the projects that will preserve the system's state of good repair and reduce future maintenance expenses, especially in the key areas of track and signals. The MTA must also optimize service to match ridership patterns and support critical needs of the economy. The MTA should consider a revision of its essential service plans to ensure that service enables the ridership to maintain social distance guidelines without running trains that are essentially empty.

Increasing tolls by a greater percentage than the currently planned four percent increase in 2021, given that toll traffic has returned at a faster rate than ridership will help mitigate some of the delays from congestion pricing and also enable the MTA to address some of its operating revenue gaps.

However, the MTA has been given authority to issue long-term debt to support its operations, but this should not be considered without taking all of the steps that I've mentioned above to cut spending. Debt service is

paid through the MTA's fare and toll tax revenue and subsidies. In 2020, debt service represented 19 percent of the MTA's operating revenues and subsidies. In 2021, due to the pandemic's effects, the MTA forecast this to grow to 26 percent. Thus, for every $5 of fare toll and tax revenue the MTA receives, it will need to spend more than $1.30 on debt service next year.

With more revenue allocated to debt service, fewer resources are available to enhance service, keep trains and stations clean. Maintain rolling stock or make other ongoing repairs that are not capital eligible. Controlling debt service growth once borrowing for operating expenses is introduced will require counterproductive reductions in capital investments, risking the system's state of good repair. Financial federal assistance aside, the MTA should examine every aspect of its operations and make the hard choices that will be necessary to reduce spending and keep the system operating until ridership returns and the economic activity of the region rebound.

Joint Hearing Impact of COVID-19 on MTA, 8-25-20

The MTA has come too far in recent decades to sacrifice its future to short-term decisions that is will have long-term negative consequences. Thank you. I'll be happy to answer any questions and anything from my written testimony that I did not address right now. Thank you.

ASSEMBLY MEMBER PAULIN: Thank you ve much. And Rachel Haot is our last speaker.

MS. RACHEL HAOT, EXECUTIVE DIRECTOR, TRANSIT INNOVATION PARTNERSHIP: Thank you, Chairs Kennedy, Comrie and Paulin for hosting this hearing on the future of the MTA in the wake of the COVID-19 crisis. A modern and efficient public transit system is essential to our city and region's economic recovery and future growth. The Partnership for New York City has actively advocated for federal funding to fill the huge revenue losses the system has experienced due to the pandemic. But so far, only a quarter of what is needed has been forthcoming. Without federal action on the $12 billion the MTA says it needs to get through 2021, there is no way the agency

can recover from what Chairman Foye has called a fiscal tsunami.

Prior to COVID-19, New York was on the path to building a world class transportation system after decades of decay and under investment. Service, including on-time performance was dramatically improving, capital projects were being completed faster and at lower cost and the MTA's historic $51.5 billion capital program had just been approved.

In 2018, the Partnership for New York City and the MTA established the Transit Innovation Partnership, incorporating private sector expertise and cutting edge technology into agency operations. Through this partnership, in response to COVID-19, the MTA was quickly able to deploy new technology to measure passenger flow and reroute buses to accommodate frontline workers during the hours the subway was closed. In one example, it took just four days to launch a solution that could have years under prior procedures.

We have also recently launched the

Joint Hearing Impact of COVID-19 on MTA, 8-25-20

COVID-19 response challenge to make transit safer and to safeguard the health of the MTA's heroic workforce and riders. Evaluators are currently reviewing more than 190 submissions from vendors across the globe. And this fall, those companies with the most promising ideas will be selected for pilot projects and potentially adoption.

Earlier this month, the Partnership for New York City conducted a survey of private sector employers to determine when workers are likely to return to the office and what factors influenced the timing. The results show substantial uncertainty about when to expect Manhattan's one million office workers to return. This is not because they like working remotely. The top three reasons for not returning to the office were concerns about the status of the pandemic and availability of a vaccine, the safety of mass transit and safe reopening of schools and childcare facilities.

As of mid-August, the survey revealed that just eight percent of office workers had returned to the workplace. Only 26 percent were

expected to return by the end of year and 54 percent by July of 2021. Notably, 83 percent of office workers will depend on mass transit for their commute. The pandemic cost the MTA 90 percent of its ridership and 40 percent of its revenues. But the subway, bus and commuter rail systems today are cleaner, safer and more comfortable than ever.

Yet, many members of the public remain reticent to return, primarily due to lack of trust in the self-discipline of their fellow passengers wearing masks, social distancing and staying home when sick. There is also a growing issue of crime throughout the city, including in and around transit stations, subways, buses and trains. The governor's executive order requires everyone, including those using mass transit to wear face coverings. Restoring confidence in transit may require the legislature to codify the governor's executive order into state law to require wearing masks covering mouth and nose on transit and in stations, as well as stronger enforcement through a combination of NYPD

Joint Hearing Impact of COVID-19 on MTA, 8-25-20

presence, real time monitoring and tools for reporting violations.

The financial losses facing the MTA will not be covered in the short term by returning ridership. Operational and administrative reforms are also necessary. The MTA has implemented some already, like design build that help speed up the pace of projects while lowering the cost. Other needed reforms are suggested in the 2018 report of Metropolitan Transportation Sustainability Advisory Work Group.

The MTA leadership and transit workers have done an exceptional job of maintaining services and responding to the COVID-19 crisis. They deserve our thanks and support during the recovery process. New Yorkers, both transit riders and workers, must feel safe on transit or our economic recovery will continue to lag. Thank you very much.

SENATOR KENNEDY: Thank you very much, Rachael, Nicole and Denise for that very informative testimony from each of you. You know, I mentioned this earlier on, that the other

Joint Hearing Impact of COVID-19 on MTA, 8-25-20

panelists that came and testified before us have helped to inform us to drive the agenda. You've each alluded to it over the course of the last 20 months.

We have seen an extraordinary investment into the MTA. We've seen some reforms put in place by the Democratic senate along with our colleagues in the Assembly, signed into law by the governor. And look, we are just getting warmed up. We've got a long way to go. We've got a lot of work to do. And we knew, prior to COVID-19 hitting us and really undermining the economy not only of the city and the state, but the nation and the globe, that the MTA was in need of getting the ridership back on to the trains and the buses and to create a more robust and efficient system.

So we were on the path to that. The rug was pulled out from underneath us. And we've just got to get back to where we were and better. I am definitely intrigued by everything that each of you has brought to the table and have done to help drive this agenda thus far.

Joint Hearing Impact of COVID-19 on MTA, 8-25-20

I'm curious to know if you've been working with the MTA, if they have been open to working with you. And what in fact you may present to us to advance forward from a financial perspective, given the dire circumstances at this point in time. Obviously, we're waiting on the federal government to move, but if the federal government fail to move, especially in the next several months here, we're going to have decisions to make. Do you have any ideas from a budgetary perspective on where we should start?

MS. RICHARDSON: I can start with that. It's CBC's custom, when we're going to issue a report about an agency, any particular agency operations, to give a copy of the report to the agency in advance. And so typically when we're making recommendations or observations about agency operations, we will do that and the MTA is no different.

At this point, I think given the situation with the federal government and some of it may come out at tomorrow's board meeting and in the future, obviously, the MTA is going to

have to come forward with some significant changes that they need to propose.

And so the question will be, I think Lisa Daglian alluded to it earlier is with the changes that they propose, what data do they also share to show the entire community, including yourselves, how they reached these decisions, because they are going to be difficult and people will be affected. And the issue becomes, for everybody, all riders, all constituencies, is the MTA sharing the pain broadly, equitably, equally given that we all have a stake in the future of the MTA? We all have a stake in helping the MTA solve this problem right now. So in a lot of ways, it really is a partnership between the civic community, the MTA's unions and the MTA itself and you as well because you represent all of your constituents.

SENATOR KENNEDY: Thank you, Denise. And Rachel, you presented some dire statistics. Unfortunately, these are statistics that we've all heard before. And it calls into question the financial viability and the future of the city of

New York. We have to save the city of New York and it starts with robust and efficient public transportation system that people trust in. And you used that word trust. People have to trust that when we get on the train and they utilize the system that they're going to get where they want to get efficiently, reliably and safely. And that means including and especially their health.

And so, what other steps do you believe that the MTA should be taking to get people back into the trains, back into the buses and utilizing that system again and what opportunities that we may have to improve from where we are with this historically low ridership?

MS. HAOT: Thank you, Chair Kennedy. Yes, we work very closely with the MTA at the Transit Innovation Partnership. I'll give a few examples of where we've had direction from the MTA on where they're looking to further explore solutions related to COVID-19 response. As mentioned, we've recently announced a COVID-19 response challenge that calls for technology

Joint Hearing Impact of COVID-19 on MTA, 8-25-20

solutions from around the world that help to combat COVID-19 in a number of ways. And this includes both product and tools that eliminate the virus or prevent its spread, as well as tools for monitoring and getting to what you spoke about, trust and allowing customers and riders to have even more information, so that they can feel more confident about their commutes. We were very appreciative to see that there were more than 190 responses to that competition. And the areas of interest were submitted and indicated directly by our partners at the MTA, in addition to, I should note, other transit agencies within the region. We have since expanded the Transit Innovation Partnership to include other transit systems within the region, as they have shared challenges.

So some of those areas were indicated by Chairman Foye in his earlier remarks, including exploring technologies and tools that help to eliminate contaminated aerosols within the system, and of course we cast a very wide net with our challenge statement and thus we also

welcome a range of different approaches, including innovations in PPE and other digital tools that can be used to understand and encourage mask usage throughout the system.

SENATOR KENNEDY: That's great. Thank you very much. I'll yield to you, assemblywoman.

ASSEMBLY MEMBER PAULIN: Thank you ve much. I fear that your dire predictions are all too correct. Living in the suburbs, I can with Metro-North at the lowest among all of the transit systems, I can tell you that I don't see my neighbors going back any time soon into New York City. Not until, I mean even when there's a vaccine, the comfort of home is just the comfort of home. And with Zoom and other technologies, I do think we're going to see a reduction, whether it's going to be permanent or whether it's going to be temporarily permanent is hard to tell.

When the vibrancy of the city comes back, there will be a desire to go to the city. But I don't know if it's ever going to be exactly the same, so, we will just -- that's probably true for Queens, you know, senator, and Brooklyn

Joint Hearing Impact of COVID-19 on MTA, 8-25-20

and Staten Island, Manhattan, you can almost walk wherever. So we're going to have a big test in front of us and an unknown in front of us. So I don't really have questions. I just want to say I appreciate your perspectives. It's what I'm thinking about as well. We are going to have to look at that road ahead very carefully and make good decisions so that we maintain the transit system as best we can. So, thank you, all. I'm going to turn it over to Senator Comrie.

SENATOR COMRIE: Thank you, Chair Paulin, Assembly Member Paulin. I want to thank the panel for testifying as well. They gave us some clear insights into what we really know. I know I can tell you that talking to friends of mine that work in the banking industry, work in the fashion industry, work in the even architecture industry, that their jobs are telling them that they're not coming back until maybe June of next year, and that was the latest.

Some people said maybe January. We really know that people are not going to come back until there's a city again, until there's

Broadway, until there are restaurants. You know, corporate America is not coming back until there is a vibrancy for them to come back to and that's the reality that we all have to face one way or another, and that we have to, the challenge is for us to reunite the city, to reignite the life blood of this city, which is the night life, which is the theaters, which are the restaurants, which is why corporation America wanted to be in New York City in the first place. So that's a challenge.

I hope you all submitted your testimony. I didn't get a chance to download it. If not, could you please e-mail it to me directly? I hope that you all are testifying tomorrow at the board hearing as well and that you will continue to advocate for your different positions. You talked about, Denise, you talked about reducing the MTA debt service and the fact that the MTA is spending more and more money in debt service. Can you talk about how you think the MTA, what best proposals the MTA could do to reduce debt service?

MS. RICHARDON: Well, you know, the last several capital plans, it really started in the late 1990s, have been overwhelmingly funded with debt, and, you know, the '15 to '19 capital program came with about $10 billion of debt, the '20 to '24 capital program had what I'm going call the debt that was to be supported by the dedicated revenues of the mansion tax, the internet sales tax and congestion pricing. But it also came with over $9 billion of what I'm going to call traditional debt backed by tolls and fares.

Clearly, to address the debt service issue, the MTA is going to have to look at some form of rescoping of the capital program in one form or another. One of the things that has not really been talked about that could benefit the MTA is that the Federal FAST act, the MTA gets about 25 percent of their capital funding through the regular ongoing federal transportation bills. The FAST Act is up for renewal. It's obviously unlikely that that will happen between now and the election, however, I'm sure that next year it

will be probably front and center of the next Congress.

So the MTA, aside from the immediate need for federal funding to resolve their financial problems, the MTA will find itself with a new infusion of capital funding which comes in the form of direct grant from the next federal transportation bill. That will help a lot.

The other thing that the MTA really has to avoid doing, as I mentioned, is to avoid at all costs, borrowing for operating expenses because that will put way too much pressure on their debt service obligation. It is a little bit concerning that their debt cap in the last budget was raised from the $55 billion cap to $90 billion. But if you make the analogy to a credit card, you have a limit on your credit card that doesn't mean you spend it up to the limit.

So I think what the MTA really has to do is look at how to maximize their operating efficiencies so that they don't start down the path of borrowing for operating expenses and looking at how they manage the capital program to

keep that debt service level and to keep that debt service reasonable, and that may mean stretching out the schedule for some projects. Which at this stage, every business in the country is looking at their changed financial circumstances, and looking at how they need to change their own investment patterns, and the MTA needs to do that same thing.

SENATOR COMRIE: Thank you. So you talked about the technology and the innovation of technology and that there was a solution that you resolved with the MTA in four days as opposed to four years. Could you expound on what that was and how that was helpful.

MS. HAOT: Yes, thank you, Chair Comrie. The Transit Tech Lab is a program that is run by the Transit Innovation Partnership in collaboration with the MTA, and it provides an opportunity for the MTA to rapidly evaluate new technologies that align with high priorities at no cost, no financial cost. One of the examples of our first Transit Tech Lab was a challenge focused on how to predict and prevent subway

delays. And as part of this, a company called Axon Vibe developed an app that was able to be repurposed in a matter of four days to serve the Essential Connector Program that was enacted when the overnight subway closures were put into place. Normally, in order to launch, develop and integrate with data sources from the MTA, for example, this would have taken much longer. But thanks to a meaningful, deep working relationship with the MTA, this team was able to rapidly deploy this new app helping to indicate and provide guidance to essential workers traveling overnight the best path that they could use to make their journeys.

SENATOR COMRIE: So this is the Essential Connector Program that allowed people that were working from 1:00 a.m. to 5:00 a.m. to find alternate means of transportation?

MS. HAOT: Yes, that's correct.

SENATOR COMRIE: And that program was operational within four days. Do you think that's a program that needs to continue?

MS. HAOT: I would defer to the MTA on

their direction for the program. The app, however, like all technology, the benefit there is that it can be repurposed to serve workers in different ways, and so thankfully this is a tool that integrates directly with MTA data feeds. It continues to support overnight workers because it provides information on, for example, overnight bus routes that they are able to use. In addition to that in the future it can be used to support workers in transit deserts that are perhaps further away from transit, so there is continuing value in the tool regardless.

SENATOR COMRIE: That's why I'm interested in it. I represent Southeast Queens, which, as you know, they're one of the worst transit deserts in the city. Thank you for that feedback. I would hope that you would also convince them to develop an app so that the Access-a-Ride program could be app based and make it a lot more technically efficient through having an app-based program so that people could not have to go through the horror show that they do now with Access-A-Ride. So hopefully that can

be part of the new technology that's developed as well.

And maybe, as an offshoot of this Essential Connector Program that you've already been working on, I hope the MTA would embrace that as quickly as possible. Thank you.

Nicole, you talked about suing the federal government for the congestion pricing and taking them on and starting that. Do you think that's actually feasible if the MTA is actually looking to borrow $12 billion or get another $12 billion from the federal government? And how do you juxtapose suing when we're asking for money? Can you give me a balance on that?

MS. GELINAS: Yes, thank you, Senator Comrie, for that excellent question. You know, you are obviously much better at assessing the congressional situation and the federal election situation than I would be, but given that we don't know the outcome of the election in November, the faster we get this out of the political arena and into the legal arena, with very little downside, I think that some form of

new rescue package in Congress will pass. Realistically, that rescue package is going to need votes from both sides of the aisle, including our two New York senators who are obviously very interested in the transit situation. But were the MTA to sue or were they to be sued over congestion pricing, it would at least start a process where the federal Department of Transportation, where the rest of the federal government would have to answer in court for what is the reason for these delays.

Robert Moses used to say if a project is going to generate revenue, you want that project up and running as quickly as you can get it up and running because you need to get those dollars in sooner rather than later. Even if the MTA had to spend money an environmental review, just a couple days of congestion pricing would make up for that extra spending, same thing with spending money on the lawsuit.

So I think it's at least worth considering and worth asking the MTA have you thought about this, have you thought about a

Joint Hearing Impact of COVID-19 on MTA, 8-25-20

strategy if this continues indefinitely with this supposed federal obstacle. New York State obviously has a precedent in suing the federal government over other issues, even as it needs general aid during the pandemic, so just something to think about.

SENATOR COMRIE: It's been an interesting idea. I'll have to talk about it with you some more, if you could send us the details on that, as usual.

MS. GELINAS: Yes.

SENATOR COMRIE: Your three groups are always innovative and forward thinking. I want to thank you, Nicole Gelinas and Rachel Haot and Denise Richardson for your continued advocacy on behalf of the city. I hope that we can continue to work together with you. I just wanted one final question for the three of you. Do you think that full transparency of all of the jobs and positions and contracting at the MTA is necessary to develop trust within the agency and with the people that have to work with the agency? And if so, can you express why?

MS. RICHARDSON: I'll start. I think it's very important. You know, I think the MTA has done a good job improving their capital program dashboard, but a number of the earlier speakers alluded to it earlier. They've had to do a lot of emergency contracts to deal with the pandemic, and that's right. However, the time has come now to identify what that spending was on, identify who the vendors were, and identify what they've gotten from it.

Also, I think the earlier panel talked about some metrics on the cleaning, on ridership. Those are important things for people to have, particularly because if the MTA has to make the decision to make some service changes, it's always helpful to be able to go to the public and say we're making this service change because, in fact, for whatever this service is, we have in a four-hour period, 30 riders, and here's how we can accommodate these 30 riders in some other form.

To keep silent when you have to make decisions that are going to affect people's lives

and not affect them in a way that is convenient, I think makes it much harder to get public buy-in. And for you, who are accountable to your constituents, to then go back to your constituents and say, look, we all have to work together here. This is what we need to do. So I think the more information that the MTA can give in a thoughtful way that explains what they're doing will be more helpful to everybody.

SENATOR COMRIE: Thank you.

MS. GELINAS: I guess I'll go next. One issue where the state legislature, I would respectfully suggest might be helpful in transparency is this issue of construction contracts. Under the prevailing wage law, the wage rates are obviously set under the law, but the construction contracts between not the MTA and the contractors, but between the contractors and the construction unions, those are private contracts. We are not allowed to look at the terms of those contracts between the construction contractors and the construction unions.

Transparency is always a good thing or

almost always a good thing. Changing the state law to say that anybody project that receives state funding, such as all of the MTA capital projects, those contracts must be public would be a big start in improving transparency.

SENATOR COMRIE: Actually, I have a bill to that, Nicole. It didn't get far last year, we're going to try to do it again.

MS. GELINAS: Yes, I know. And that, just because sometimes, frankly we are guessing when it comes to what are the efficiencies on the construction contract side because we have very limited information.

SENATOR COMRIE: Right. Thank you. Rachel, go ahead.

MS. HAOT: Hi. Thank you, Chair Comrie. I would echo that we support full transparency, and I would also point to the MTA taking a positive step in that, along those lines prior to the COVID pandemic, releasing the open data budgetary platform online.

SENATOR COMRIE: Thank you. My colleague asked me a question. Do you think it was

necessary for the MTA to engage McKinsey to do a COVID-19 impact? Don't you think they could have done it on their own or working with your group to do that, as opposed to going back to McKinsey for another costly study about what they already know on the ground? Kind of a loaded question, but I'm asking it anyway.

MS. RICHARDSON: I spent a lot of years in government before I transitioned out. And, you know, it used to be kind of a joke among the government agency people, and it really doesn't matter which agency. I worked in a lot of them and it was always the same, is that there is a natural tendency, and maybe it's human nature as well, if you think about family dynamics as well, that you tend to believe the opinion of the outside expert than your own people. And so it seems to be a natural tendency in organizations to rely on the outside help.

Do I personally think that the MTA had the ability to do this analysis? Absolutely. And I do think that one of the things that people don't do often enough is recognize that the MTA

is an agency of transportation professionals, and they do know what they're doing, and they run the largest transportation mass transit agency in the country, and most days they do it pretty well.

Obviously, if you're the rider on the late service, you don't think so, but the reality of it is, is that they do have a very experienced, knowledgeable staff to who knows their finances and knows their ridership patterns inside and out.

But again, it's very hard to break that tendency to go to the experts who many times just parrot back what the agency told them in the first place to say. So, yes, there is an issue there.

SENATOR COMRIE: Thank you. With that, Nicole, did you want to answer that? Okay. Thank you. I saw you went off mute. All right, well, thank you. Thank you, panelists, for your expertise and your focus on trying to save the city and always making sure that whatever is happening within New York City, that you have a great opinion and idea on, and we thank you and

Joint Hearing Impact of COVID-19 on MTA, 8-25-20

your organizations and Manhattan Institute, the Citizens Budget Commission and the Partnership for the City of New York for continuing to want to be a major part of what New York is and what New York can be, should be and will be. So thank you for your participation today. I look forward to working with you and your groups. When we agree and when we disagree on certain things so we can make this state better. Thank you.

SENATOR KENNEDY: Thank you, everyone.

ASSEMBLY MEMBER PAULIN: Thank you ve much. The next panel, panel six, Walter, and I am not going to pronounce your last name without help, from the Associated General Contractors.

MR. WALTER PACHOLCZAK, VICE PRESIDENT OF GOVERNMENT AFFAIRS, ASSOCIATED GENERAL CONTRACTORS: Good afternoon, Chair Paulin, Chair Kennedy and Chair Comrie. I'm Walter Pacholczak. I'm vice president of the government affairs for the Associated General Contractors of New York State. We are the leading statewide trade association representing New York's construction industry, both union and open shop businesses.

Joint Hearing Impact of COVID-19 on MTA, 8-25-20

AGC members perform the majority of public and private transportation building and environmental infrastructure work in every region of New York State. Thank you for holding this important hearing to discuss the impact COVID pandemic on the MTA.

Today's testimony will briefly touch on the challenges of working safely during a pandemic, the capital program for the MTA and recommendations to improve the procurement processes for contractors, subcontractors, and material suppliers.

From the onset of the COVID-19 pandemic, Governor Cuomo's executive orders deemed most construction as an essential business. The members of AGC, which already had significant experience applying rigorous safety standards and utilizing PPE developed and honed a comprehensive plan of best practices to mitigate health risk for construction workers. The construction industry, informed by that experience and driven by our abiding multiple to safety, was exceptionally well prepared to continue moving

Joint Hearing Impact of COVID-19 on MTA, 8-25-20

the MTA capital program forward during the pandemic.

Guided by our history of safety, education and training, AGC quickly developed recommendations for the New York Forward region reopening plans. Our proposals, three main points of our proposal mandated that, one, all employees must be trained in established safe practices, they're required to follow all measures implemented to protect the workforce from the potential exposure of the coronavirus, two, safety plans, individual safety plans, must be maintained on each construction project, and three, both training and safety plan procedures must be continuously reevaluated and updated based on the OSHA guidelines, CDC and New York State department of health guidelines.

So fast forward it to today, the economic devastation of the COVID-19 pandemic and a stalled federal funding recovery agreement with direct aid to public transportation has further deteriorated the MTA's current and future finances, jeopardizing critical transportation

Joint Hearing Impact of COVID-19 on MTA, 8-25-20

services, jobs and the capital program.

In the coming months and years the legislature and governor will need to make many difficult decisions to restore the fiscal stability of the MTA. AGC continues the work with the MTA and our New York State congressional delegation to secure necessary funding to keep the capital plan and operations on track.

To date, AGC has held 15 congressional town hall style meetings with the New York State congressional delegation urging them to find a bipartisan compromise for direct aid to the MTA as well as direct aid to both state and local governments. Furthermore AGC commends the legislature for passing legislation to reform some of the procurement processes of both state agencies and authorities.

In 2019, two bills were passed that helped move that process along. The first bill, sponsored by Senator Comrie and Assemblyman Kim requires state agencies and public authorities to require damages for delay clauses and contracts. The second bill, sponsored by Senator Breslinn

Joint Hearing Impact of COVID-19 on MTA, 8-25-20

and Assemblyman Mike Cusick defines substantial completion on public work.

Unfortunately, both those bills were vetoed by the governor, however on the substantial completion bill, the legislature did re-pass an almost identical bill this year in which AGC and our partners in the construction world will be urging the governor to sign that bill.

It's really more, we think, more of an educational process by looking through at the veto jacket and adjusting some of the concerns and comments from some of the groups that opined on the bill. But we're hopeful that that bill gets signed into law because each of these bills has even greater importance during the COVID-19 pandemic as contractors, subcontractors and material suppliers struggle with cash flow and contractual difficulties imposed by state agencies and authorities.

Once again, thank you for the opportunity to share our thoughts at this important public hearing to discuss the COVID-19

impact on the MTA. AGC stands ready to continue to fight for federal funding, to ease the fiscal stress caused by the pandemic and we promise to work safely to help get the MTA and public transportation capitals back on track once again. Thank you for the opportunity, and we appreciate it.

SENATOR KENNEDY: Thank you very much, Walter. It's always great to see you. Thank you for your work and thank you for the leadership of not only you, but all of AGC. You're always there, of course, with Mike Elmendorf as well and in our ears when it comes to infrastructure all across the state. The MTA is no different than that.

Can you talk a little bit about how the capital projects have been progressing during the pandemic, especially given the reduced ridership, the overnight shutdowns and the revenue shortfalls?

MR. PACHOLCZAK: Well, yeah, I think earlier testimony by the MTA, I think it was by Janno Lieber, really kind of summed it up pretty

well for us. A lot of the construction projects are currently on pause awaiting those federal infrastructure dollars. Like I said, we've spoken to 15 different congress people. We have had them on for 30 minutes at a time, which is really extraordinary, when you think about the hectic schedules that the congressional representatives have.

And they know our points, and they know the points of the governor, the points of both the state legislature, that with construction projects on pause and the MTA just using the current federal cash that they have, you know, we're very worried about this year, we're even more so worried about next year, and without that next tranche of federal dollars coming in, everything is going to be on hold and we're going to be just in -- we're not going to be progressing forward, we're just going to be trying to save what we have right now.

SENATOR KENNEDY: Thank you. And does the association have any recommendations for potential cost savings during this crisis?

MR. PACHOLCZAK: Yeah, well we focused in on the federal side of things. I mean one of the things that the industry always talks about is reforming New York's scaffold law. The MTA has clear data on their liability costs, on what scaffold law costs them specifically. It's a tough decision for the legislature and the governor, but, you know, if all options are on the table, then why not scaffold law right now? It's, you know, in essence an equal protection under the law scenario where a contractor should have their day in court, as should the MTA in that situation, as the owner, and scaffold law reform is always something that would be important to look at in terms of cost savings.

SENATOR KENNEDY: Well, thank you for your testimony. Again, thank you for your leadership and all of your efforts. We look forward to our continued work together.

MR. PACHOLCZAK: Great job, senator. Thank you.

SENATOR KENNEDY: Thank you.

ASSEMBLY MEMBER PAULIN: Thanks, both

you. Just a couple of questions, I'm just curious, are construction costs going up or down as a result of, you know, risks because of the pandemic, for example, might cause them to go up. Workers might demand more money, but the scarcity of work might mean workers are willing to take less or construction companies, so I just wondered what your take is.

MR. PACHOLCZAK: Yeah, I mean, as it relates to this conversation, we're talking about prevailing wages here, so those wages are to be bargained, so the wages side doesn't really impact us all that directly. However, the costs of PPE, the costs of just slowing down your day, so, for example, you can't pack workers into an elevator and bring them up to the 60th floor to build a building. You can't pack workers in the tight confined spaces because of social distancing requirements.

So those are some of the areas where initially that we've heard the most concerns about costs being a driver. But, look, at the end of the day, construction is agile. The companies

Joint Hearing Impact of COVID-19 on MTA, 8-25-20

are agile. The workers are agile. And you make things work. And we make things work to deliver projects on time and on budget.

ASSEMBLY MEMBER PAULIN: Are there so projects that are more risky in terms of safety issues because of the closeness, you have to work together to be safe while you're doing a project? Are there some things that have to be on hold, underground projects, over ground, you know, you mentioned going up in an elevator. How did the individual projects, or are any individual projects going to be impacted because of those issues?

MR. PACHOLCZAK: Well, each project is really on a chafes by case basis, and from a safety assessment point of view, we have two trained safety professionals that provide a lot of guidance to the membership of AGC in terms of training, education, best practices, and, you know, we make that work. Interior contractors have a little more difficult time. You work in the tunnel at the MTA, it's a little more difficult, some of the confined spaces. Hospitals

Joint Hearing Impact of COVID-19 on MTA, 8-25-20

are a little tougher to work on because of different entrances and different points of egress. Those are some of the examples that we have dealt with early on during the pandemic, but like I said, we're an agile industry and we work to get the job done.

ASSEMBLY MEMBER PAULIN: Thank you ve much. I turn it over to the senator.

SENATOR COMRIE: Thank you also for your testimony and for your consistent advocacy with AGC and to Mike and his team also, thank you for everything you're doing, and we look forward to working with you as we try to figure out how to continue to revive this state.

Are you able to and are your contractors able to give the MTA suggestions about efficiencies and alternate ways of doing the projects to create faster turnaround? Is that a good dialogue that you're having?

MR. PACHOLCZAK: Very much so, senator. We consider the MTA under the leadership of Pat Foye and Janno Lieber and some of the other team work there, we're talking about big projects here

that require that continuous dialogue, the back-and-forth that's required to get the job done on time. A lot of times these are complicated jobs, you're working in a very old system, as far as the MTA goes specifically, and we find them very, very receptive and we're grateful.

SENATOR COMRIE: Thank you. I was thinking like they mentioned the issues with third track and merging old tech with new tech and old construction with new construction, so your GCs are able to have those discussions with them and not get caught up in six month delays is they have to -- once they get in the ground they see something that's totally different than what's scoped. You're getting that kind of good feedback from them?

MR. PACHOLCZAK: Generally speaking, senator, yes. I haven't heard to the contrary there, as far as working with the MTA, you know, they're good people to work with, and it's an important job to help resuscitate our economy. Things are tough all over here in the state, in the city, and in the nation, and we're there.

We're there when you need us and we're always there when you need us. And then moving forward, based on our record of safety, we'll be there in the future should we get a second wave as well.

SENATOR COMRIE: Got you. Thank you. With that, we have no questions from any other members. Do you have any on your side, assembly member?

ASSEMBLY MEMBER PAULIN: I don't.

SENATOR COMRIE: I'm going to take the opportunity to wrap up and thank you all for testifying. I want to thank everyone for testifying today. I want to thank my team that helped make this happen so that I halfway acted like I knew what I was talking about, and that's my chief of staff Derrick Davis, Andrew Taranto Chris LaBarge, the great Chris Higgins, the great David Frazier, the great [unintelligible] [05:25:07] Bahadi [phonetic], Allison Bradley, who's always great and Daniel Ranalon [phonetic] who is always great from our administrative speaker's office, who helped out today.

And I want to thank again my colleagues

Joint Hearing Impact of COVID-19 on MTA, 8-25-20

for asking questions and giving me questions and to all of the people that testified today, thank you for participating. This is going to be a process where we all need to collaborate together to try to make sure that we resuscitate the system so that we can help bring back our city.

I also want to thank my great co-chairs, my brother from Buffalo Tim Kennedy and my sister from -- where are you? Westchester, Amy Paulin for being the great chairs that you are. Amy Paulin just did a 13 and-a-half hour hearing two days I think. It felt like two days ago.

ASSEMBLY MEMBER PAULIN: It felt like yesterday.

SENATOR COMRIE: Yeah, it felt like yesterday. So she's truly a champion at this. So thank you for everything that you're doing to make sure that we have these hearings. And as you've heard, we need to keep the pressure on. And I look forward to working with both of you to make that happen. Thank you all.

ASSEMBLY MEMBER PAULIN: Thank you.

SENATOR KENNEDY: Chairman Comrie, thank

you for your leadership. Chairwoman Paulin, thank you for your leadership. And I echo the sentiments of Chairman Comrie in just thanking all the staff for your extraordinary efforts in once again making this a flawless public hearing.

And let me just mention once again that this Democratic Senate, along with our colleagues in the Assembly, have done more public hearings to make sure that we are being as transparent as possible than ever before. So I would argue that there's probably a historic number of these public hearings, and I am hopeful that it's with great effect and that we can come up with some very strong solutions moving forward. It's a pleasure and honor to work with you and look forward to our continued work together. Thank you again. Chairwoman.

ASSEMBLY MEMBER PAULIN: Yes. I'll ju

add my thanks to the assembly side of things. To the staff, central staff, Dallas, Kristen and Corey, and my personal staff, Stephanie who worked diligently to help me get prepared. I really want to acknowledge also Ashley and

Joint Hearing Impact of COVID-19 on MTA, 8-25-20

Stanley who helped put this together, and without their help and time clock abilities, we would not be where we are. So thank you all.

Thank you again for everyone who testified. You really help us understand the issues so much better and help us and guide us to making the right decisions. So thank you all.

Thank you to my co-chairs on the senate side. It's been an honor and a pleasure.

SENATOR COMRIE: Stay safe.

(The public hearing concluded at 3:30 p.m.)

CERTIFICATE OF ACCURACY

I, Ryan Manaloto, certify that the foregoing transcript of Joint Public Legislative Hearing on Impact of COVID-19 on the Metropolitan Transportation Authority on August 25, 2020 was prepared using the required transcription equipment and is a true and accurate record of the proceedings.

Certified By

_____

Date: September 11, 2020

GENEVAWORLDWIDE, INC
256 West 38th Street - 10th Floor
New York, NY 10018