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## **Testimony on the Metropolitan Transportation Authority's Access-A-Ride Program**

*Testimony before the New York City Council Committees on Mental Health, Disabilities and  
Addiction; Aging; and Transportation*

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Good afternoon Committee Chairs Ayala, Chin, and Rodriguez. Thank you for the opportunity to testify about the Metropolitan Transportation Authority's (MTA's) Access-A-Ride program. I am Denise Richardson, Vice President of Research of the Citizens Budget Commission, a nonprofit, nonpartisan think tank devoted to influencing constructive change in the finances and services of New York City and New York State government, including the MTA and other public authorities.

Transportation access for people with disabilities is an important component of an important public service. As with other public services, a challenge is how to share the costs among stakeholders and balance with other priorities.

In its 2020 Final Proposed Budget and November Financial Plan for 2020-2023, the MTA assumed New York City will increase its contribution to Access-A-Ride from one-third to one-half of the program's net operating deficit. The City currently pays its share pursuant to a 1993 agreement with the MTA. The City is not legally obligated to pay additional costs as the Americans with Disabilities Act placed responsibility for paratransit with local transit agencies.

In 2017 the Access-A-Ride program provided 6.1 million trips at a cost of \$474.7 million.<sup>1</sup> Fare revenue in that year was \$17.5 million, and the City paid \$134 million toward the operating deficit.<sup>2</sup> In 2018 the City's share of the Access-A-Ride operating deficit was \$150 million.<sup>3</sup> The MTA forecasts total operating costs for the program to grow from \$537 million in 2018 to \$691

million in 2023.<sup>4</sup> Under the current cost-sharing formula, the City's share in 2023 would grow to \$199 million. However, the MTA's proposed formula change would increase cost to the City by \$47 million in 2020 and cumulatively \$361 million from 2020 to 2023.<sup>5</sup>

The cost growth in the program reflects higher utilization. Access-A-Ride had been criticized for poor customer service, missed appointments, and inefficient routes. In 2016 the MTA instituted a reservation service to enable customers to book for-hire vehicle trips in advance. This program was expanded in 2019. In 2017 the MTA also started an enhanced Access-A-Ride on-demand e-hail pilot program.<sup>6</sup> These two service enhancements have contributed to a 31 percent increase in trips, from 6.1 million in 2017 to an estimated 8 million in 2019.<sup>7</sup> From 2017 to 2019, however, the number of registered Access-A-Ride customers increased only 7 percent from 150,000 to 161,000.<sup>8</sup> Annual trips are expected to continue growing to 8.4 million in 2020 and to 9.8 million in 2023.<sup>9</sup> The MTA's service enhancements, including permitting on-demand for-hire vehicle trips, have improved mobility for disabled customers.

Use of for-hire vehicle services lowered the 2018 per trip cost from \$86 for a primary service ride to \$29 for an advance reservation trip and \$37 for an on-demand trip.<sup>10</sup> Yet even with these per-trip savings, Access-A-Ride's fare revenue represents a mere 4 percent of the program's total operating cost.<sup>11</sup> Although the MTA is also taking steps to reduce the cost and improve the efficiency of its primary van service, the surge in demand, particularly in rides per user, outweighs the decline in per trip costs, resulting in significant cost growth projected in the future.

The MTA and the City face financial constraints that require determining what level of Access-A-Ride service is possible and how best to pay. Part of that solution may be to ask passengers to pay a greater share of the cost for the enhanced service of the for-hire vehicle origin to destination trips, as the MTA has proposed. Another method the MTA has proposed is to constrain costs by limiting the number of on demand for-hire vehicle trips a passenger may take.<sup>12</sup> The City should work with the MTA to assure that Access-A-Ride will achieve firm financial footing while providing a cost-effective and efficient service that offers greater mobility to disabled riders.

Thank you.

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<sup>1</sup> Metropolitan Transportation Authority, *2019 Preliminary Budget and July Financial Plan 2019-2022, Volume 2* (July 2018), pp. II-68, <https://new.mta.info/sites/default/files/2018-12/MTA-2019-Prelim-Budget-July-Financial-Plan-2019-2022-Vol2.pdf>.

<sup>2</sup> The calculation of the City's share of the operating deficit excludes program non-reimbursable OTPS expenses; totals may not add due to this exclusion. See: Metropolitan Transportation Authority, *2019 Preliminary Budget and July Financial Plan 2019-2022, Volume 2* (July 2018), pp. II-68, <https://new.mta.info/sites/default/files/2018-12/MTA-2019-Prelim-Budget-July-Financial-Plan-2019-2022-Vol2.pdf>.

<sup>3</sup> Metropolitan Transportation Authority, *2020 Final Proposed Budget and November Financial Plan 2020-2023, Volume 2* (November 14, 2019), pp. II-70, <https://new.mta.info/document/12266>.

<sup>4</sup> Metropolitan Transportation Authority, *2020 Final Proposed Budget and November Financial Plan 2020-2023, Volume 2* (November 14, 2019), pp. II-70, <https://new.mta.info/document/12266>.

<sup>5</sup> Metropolitan Transportation Authority, *2020 Final Proposed Budget and November Financial Plan 2020-2023, Volume 2* (November 14, 2019), pp. II-70, <https://new.mta.info/document/12266>.

<sup>6</sup> Metropolitan Transportation Authority, "MTA Offers First Ever Real-Time, On Demand Service for Access-A-Ride Users" (press release, November 13, 2017), [www.mta.info/press-release/nyc-transit/mta-offers-first-ever-real-time-demand-service-access-ride-users](http://www.mta.info/press-release/nyc-transit/mta-offers-first-ever-real-time-demand-service-access-ride-users); and "MTA Announces Enhanced Program to Expand Taxi Use for Entire Paratransit System—And Extension of 'On-Demand E-Hail' Pilot" (press release, March 17, 2019), <http://www.mta.info/press-release/nyc-transit/mta-announces-enhanced-program-expand-taxi-use-entire-paratransit-system>—.

<sup>7</sup> Alex Elegudin, Senior Advisor for Systemwide Accessibility, Paratransit Strategic Vision Update Report (presentation to MTA Transit and Bus Committee Meeting), December 16, 2019, slide 0

<sup>8</sup> Alex Elegudin, Senior Advisor for Systemwide Accessibility, Paratransit Strategic Vision Update Report (presentation to MTA Transit and Bus Committee Meeting), December 16, 2019, slide 0

<sup>9</sup> Metropolitan Transportation Authority, *2019 Preliminary Budget and July Financial Plan 2019-2022, Volume 2* (July 2018), pp. II-68, <https://new.mta.info/sites/default/files/2018-12/MTA-2019-Prelim-Budget-July-Financial-Plan-2019-2022-Vol2.pdf>; and *2020 Final Proposed Budget and November Financial Plan 2020-2023, Volume 2*, (November 14, 2019), pp. II-70, <https://new.mta.info/document/12171>.

<sup>10</sup> Metropolitan Transportation Authority, *Paratransit Ridership Cost Update* (April 17, 2019, accessed December 15, 2019), p. 6, [http://web.mta.info/mta/news/books/archive\\_board.htm](http://web.mta.info/mta/news/books/archive_board.htm).

<sup>11</sup> Metropolitan Transportation Authority, *2020 Final Proposed Budget and November Financial Plan 2020-2023, Volume 2* (November 14, 2019), pp. II-70, <https://new.mta.info/document/12171>.

<sup>12</sup> Clayton Guse, "MTA to severely limit pilot program that gives cheap cab rides to Access-A-Ride users," *New York Daily News* (November 12, 2019), <https://www.nydailynews.com/new-york/ny-access-a-ride-pilot-changes-20191112-7pvvw3pcdfhc5dq6bqsubzu6wm-story.html>.