

## **MCTS Questions & Answers Regarding the Affects of the Budget Repair Bill and the Proposed State Budget for 2011-2013**

### **Q: How does the Budget Repair Bill (SB 11) affect the Milwaukee County Transit System (MCTS)?**

A: Once the Budget Repair Bill goes into effect, there are elements in the bill that result in the elimination of collective bargaining by public labor unions. Federal transit funding may be at risk as according to Section 5333(b) (previously 13(c)) of the Federal Transit Act.

Milwaukee County contracts with Milwaukee Transport Services, Inc. (MTS), a private, not-for-profit corporation, to manage and operate the Milwaukee County Transit System (MCTS). All transit workers are employed by this private corporation. Since they are not public employees, Milwaukee transit employees working for MTS are not affected by the changes in collective bargaining. They will continue to be able to perform collective bargaining, thus MCTS would not lose Federal funds on this issue.

### **Q: How does this affect other transit systems in Wisconsin?**

A: Transit systems across the state could lose \$46.6 million Federal Funds annually since most transit systems in Wisconsin have public labor unions. According to the Federal Transit Act, continued receipt of federal transit aid “requires the continuation of any collective bargaining rights that were in place when the employer started receiving federal funds.” The loss of funds to this magnitude would impact all transit systems in the long run.

### **Q: How does the 2011-2013 State Budget proposed by Governor Walker affect MCTS?**

A: The Governor's proposed budget puts an additional \$65 million dollars into the segregated transportation fund in 2012. Unfortunately, it also proposes a \$12 million decrease in the funding for public transportation. To put this in perspective, Milwaukee County contributed about \$17 million dollars in operating funding for the system in 2011. It would have to raise its levy for transit by more than 40% in order to make up this loss. That is highly unlikely, given the fact that the budget also limits the amount that the local tax levy can be increased and would require a new referendum to enact a separate tax for transit.

Furthermore, in 2013, transit systems will not receive any funding from the segregated transportation fund. They will be put into the already overburdened general fund. This will make it much more difficult to maintain transit funding even at the reduced levels proposed in the budget. Transit is an important part of our transportation infrastructure. It is an essential element for those do not or cannot drive. It should continue to be funded as part of the transportation fund.

**Q: How does this affect paratransit service?**

**A:** The Milwaukee County Transit System is dedicated to providing paratransit service to our community for those unable to use the bus system. Additionally, by law we are required to provide this service as part of The Americans with Disabilities Act (ADA) of 1990.

However, because paratransit service is part of the overall transit services which we provide, it may be affected. Federal law requires transit systems to provide paratransit service within 3/4 of a mile of fixed-route service during the same times buses are in operation. Currently MCTS is able to go beyond this ¾ of a mile requirement at the borders of Milwaukee County, however, the provision of this additional service is expensive. This will have to be reviewed as we review cuts to the overall transit system.

**Q: What bus services will be cut?**

**A:** Service cuts and fare increases are always our last resort, but with a funding reduction of this size and rapidly escalating fuel prices, significant service reductions will be required. It is estimated that a 4-6% reduction in service might be required to stay within our budget. This would require a reduction of approximately 65,000 hours of service per year.

MCTS is currently reviewing all options, both in internal operations and in service cuts, to meet these challenges. No decisions have been made, but some of the services that are being reviewed and their approximate annual operating cost savings, if eliminated, are listed below:

- Cut all Freeway Flyer service - \$1 million
- Eliminate all early morning/late night service - \$1.5 million
- No bus service to Summerfest/other Festivals/State - \$500,000
- Elimination of Routes 28, 64, 68, 219 - \$1.8 million

**Q. Will fares increase?**

**A:** In order to balance the budget, every revenue-generating option will be considered. An increase to a \$2.50 fare would generate approximately \$1 million.

**Q: What can I do?**

**A:** We encourage everyone in the community to stay informed on the State Budget and what will happen as it goes through the process. It is usually finalized by June.

The State will hold public hearings in April regarding the budget in which you can attend and give your opinion. You can also inform your State Representatives of your comments on the State Budget.

MCTS will continue to post updates on potential affects on our website, [RideMCTS.com](http://RideMCTS.com). A great way to stay informed is to join the Rider Insider Program in which we send important informational updates to members every other month. Sign up by going to [RideMCTS.com/Rider-Insider](http://RideMCTS.com/Rider-Insider).

Any potential service reduction or increase in fares must be approved by the Milwaukee County Board. During the Milwaukee County budget process there will also be public hearings for the community. Everyone has a right to give their opinion during the public hearings or you can call or write MCTS and we will track all comments that we receive.