

October 6, 2011

The Honorable Harold Rogers  
Chairman  
House Committee on Appropriations  
2406 Rayburn House Office Building  
Washington, DC 20515

The Honorable Tom Latham  
Chairman  
House Subcommittee on Transportation, Housing and Urban Development  
Committee on Appropriations  
2217 Rayburn House Office Building  
Washington, DC 20515

Dear Chairman Rogers and Subcommittee Chairman Latham:

We write to urge your strong opposition to a job-killing, anti-business provision included in the FY 2012 Senate Department of Transportation, Housing and Urban Development Appropriations bill. Section 167 of S. 1596 prevents enforcement of the Federal Transit Administration's (FTA) Charter Service regulations in the service area of King County Metro in Seattle, Washington. Once again, Senator Patty Murray has included this damaging provision in the bill, exempting one transit agency in the country from enforcement of a federal rule designed to protect private motorcoach operators from unfair competition from publicly subsidized transit operators.

Since 1973, transit law has prohibited transit entities which receive federal funds from providing charter bus operations in competition with private bus and school bus operators. Congress' intent in enacting and continuing this provision was to prevent unfair competition between federally funded public transportation systems and private, tax-paying bus and school bus operators. Charter service is specialized service at the request of a third party that is outside a transit entity's regular route service. Charter service is the bread and butter of our members and they pay taxes and maintain and create jobs while doing it. Quite simply, they cannot compete fairly with local transit authorities whose vehicles and facilities are subsidized with federal tax dollars. The purpose of this almost 40 year old statute and its implementing regulations is to ensure the playing field remains level.

For two years, Senator Patty Murray has dictated that the transit authority in the Seattle area of her State did not have to abide by this rule. Senator Murray's actions are driven by a desire to allow the public transit agency which receives substantial federal funding, to provide specialized transportation service to several professional and college sports teams. Her actions prevent private motorcoach operators from competing to provide that transportation and it has had a devastating effect on private operators in that area.

(con't)

In February of this year, the House took the right position and passed a bill that would have nullified the Seattle exemption (Section 2216 of HR 1, making continuing appropriations for FY 2011). Unfortunately, the nullification provision did not prevail in the final Omnibus Appropriations bill for FY 2011 passed in April. In your upcoming negotiations with the Senate on the FY 2012 DOT Appropriations bill, we urge you to maintain the House position and strongly oppose the continuation of the charter exemption for Seattle or any attempted expansion of it to other areas of the country.

UMA is the nation's largest association of bus and motorcoach companies and industry suppliers with over 1200 members located across North America. Membership represents the full spectrum of bus and motorcoach operations, from small family and tour to nationwide scheduled and commuter service operations. Over 90% of our companies are small businesses. Motorcoach traveler and tourist demand generates more than \$55 billion annually in economic transactions. Studies show that America's bus and motorcoach industry's combined economic impact is over \$112 billion with combined wages over \$40 billion, directly and indirectly employs over 1 million and pays over \$16 billion in federal and state taxes. Our members provide safe and professional transportation service every day to destinations all across the country. But we cannot continue to stay in business and help grow the economy, if our own tax dollars are used to compete against us.

Thank you for your support of this important issue.

Sincerely,



Victor Parra  
CEO  
United Motorcoach Association

cc:  
Speaker of the House, Congressman John Boehner  
Majority Leader, Congressman Eric Cantor