



# Oregon

Theodore R. Kulongoski, Governor

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**DATE:** October 25, 2007

**TO:** House Interim Committee on Transportation  
Senate Interim Committee on Transportation

**FROM:** Michael Ward, Public Transit Division Administrator

**SUBJECT:** Public Transit and Senior and Disabled Transportation Programs

## Introduction

I am here today to provide an overview of the programs that the division administers with emphasis on those programs that directly serve seniors and individuals with disabilities.

## Background

The Public Transit Division (PTD) provides grant assistance, advocacy, and technical assistance to communities and local transportation providers to provide transportation to people. Mobility is needed to live independently and participate in Oregon's economy. The division also develops and encourages the use of transit, ridesharing, telecommuting, flexible work schedules, walking, bicycling, and other alternatives to driving alone during peak travel times as ways to reduce traffic congestion, diminish environmental impacts, and improve the efficiency of Oregon's highways. It is important to note that the division does not own a single bus or provide a single ride; direct service delivery is provided by hundreds of providers, large and small, around the state.

## Public Transit Division Revenues and Expenditures

The following charts reflect sources and uses of division funds for the 2007-09 biennium:

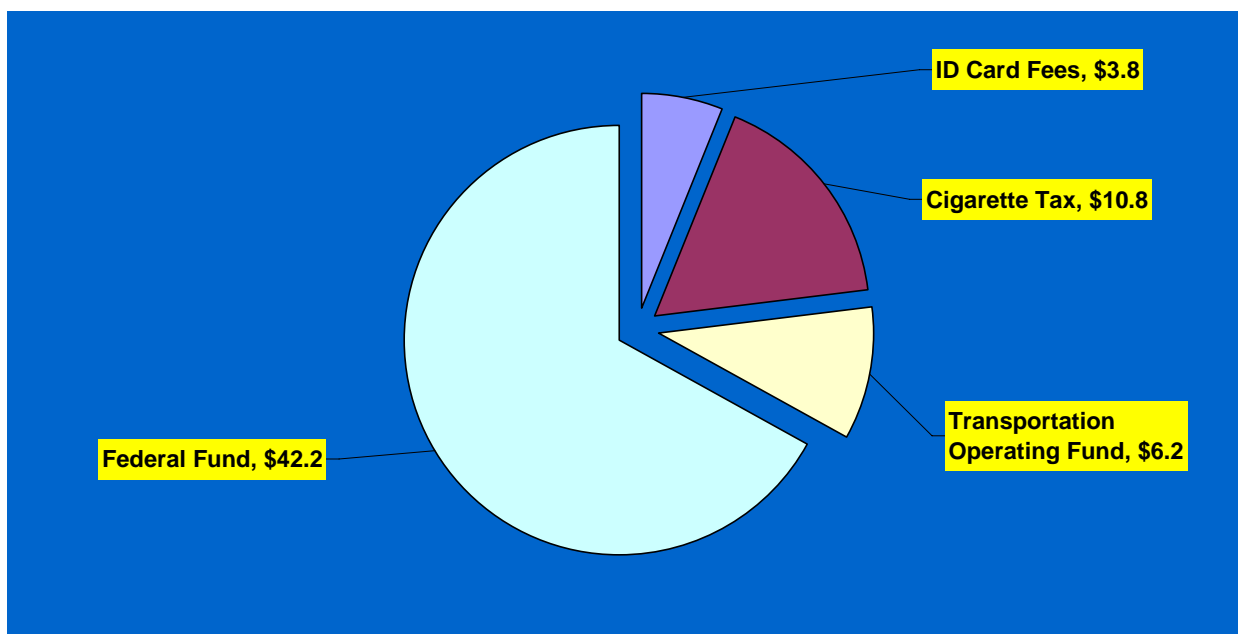
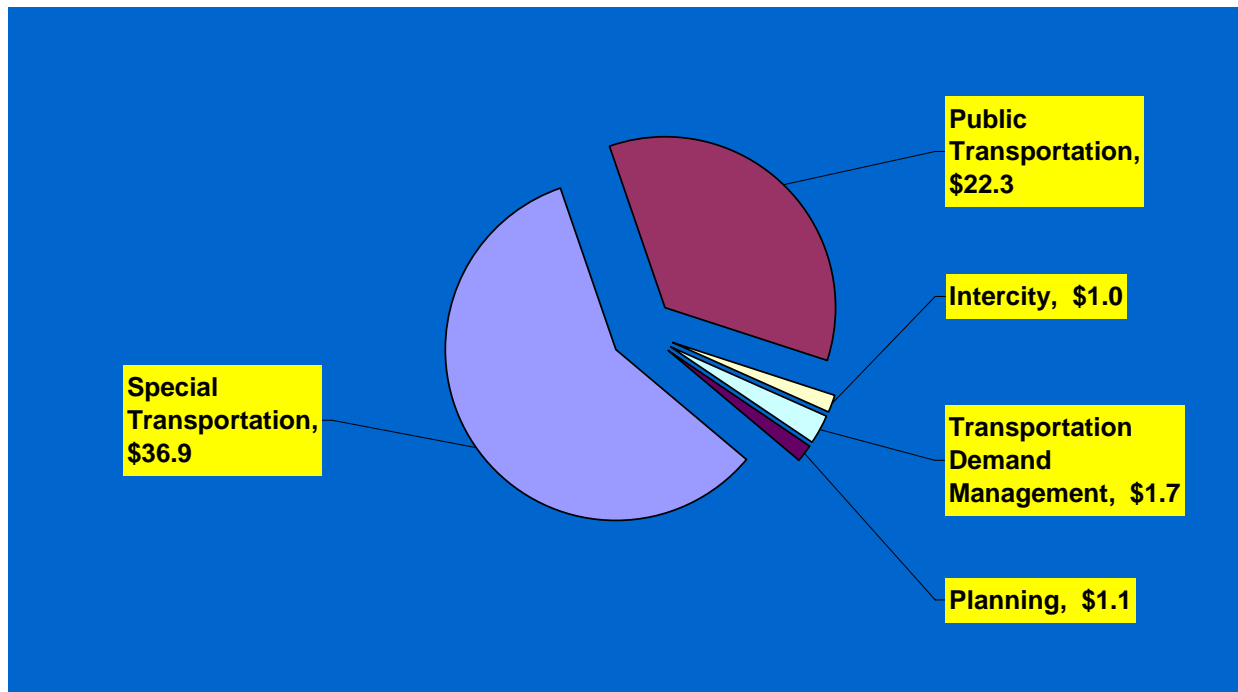


Figure 1: Sources of PTD 07-09 Budget (\$63 million)



**Figure 2: Expenditures of PTD 07-09 Funds (\$63 million)**

## **PUBLIC TRANSIT DIVISION PROGRAMS**

### Rural Operating Grants

The division provides technical and grant assistance to offer mobility choices within and between rural communities for those who need mobility assistance to support Oregon's goals for productive and healthy communities.

This program provides grant assistance to public entities delivering transportation services to the public in communities of fewer than 50,000 people. The primary source of funding is the USDOT Federal Transit Administration (FTA) through the Non-Urbanized Area Formula Assistance Program. Funds may be used for planning, operations, and capital purchases or technology improvements. Thirty-nine communities around the state receive annual formula grants through this program.

### Mass Transit Vehicle Grants

The division offers capital grants for public entities to replace buses that do not meet condition standards. This helps communities to provide general public bus service with vehicles that are safe, appropriately designed for the route, and in good condition. The program is funded with federal Surface Transportation Program funds.

### Jobs Access

The division provides technical assistance to help local agencies pursue funding through the FTA Job Access and Reverse Commute program (JARC). The division also provides grants for employment-related transportation for low-income workers.

### Intercity Passenger Program

This program promotes intercity passenger services connecting rural communities through incentive funding, information, and equipment to make vehicles accessible. Emphasis is placed on connecting communities of 2,500 or more with the next larger market economy and connecting bus, rail and air. Support and advocacy provides improved travel information systems. Staff provide technical assistance, identify service gaps, work with committees to prioritize needs and manage grant contracts to meet priority needs. Funds may also be used for technological improvements. This program contributes support for connections to long distance Amtrak and Greyhound service.

### Public Transit Planning

The Transit Planning Program supports statewide transit planning and policy development. Division staff provides technical expertise in plan review for local, regional, and statewide plans to ensure the appropriate consideration of public transit needs. The division administers FTA federal pass-through funds for Metropolitan Planning Organizations in the Eugene, Portland, Salem, Bend, Corvallis, and Medford areas for use in intermodal transportation planning.

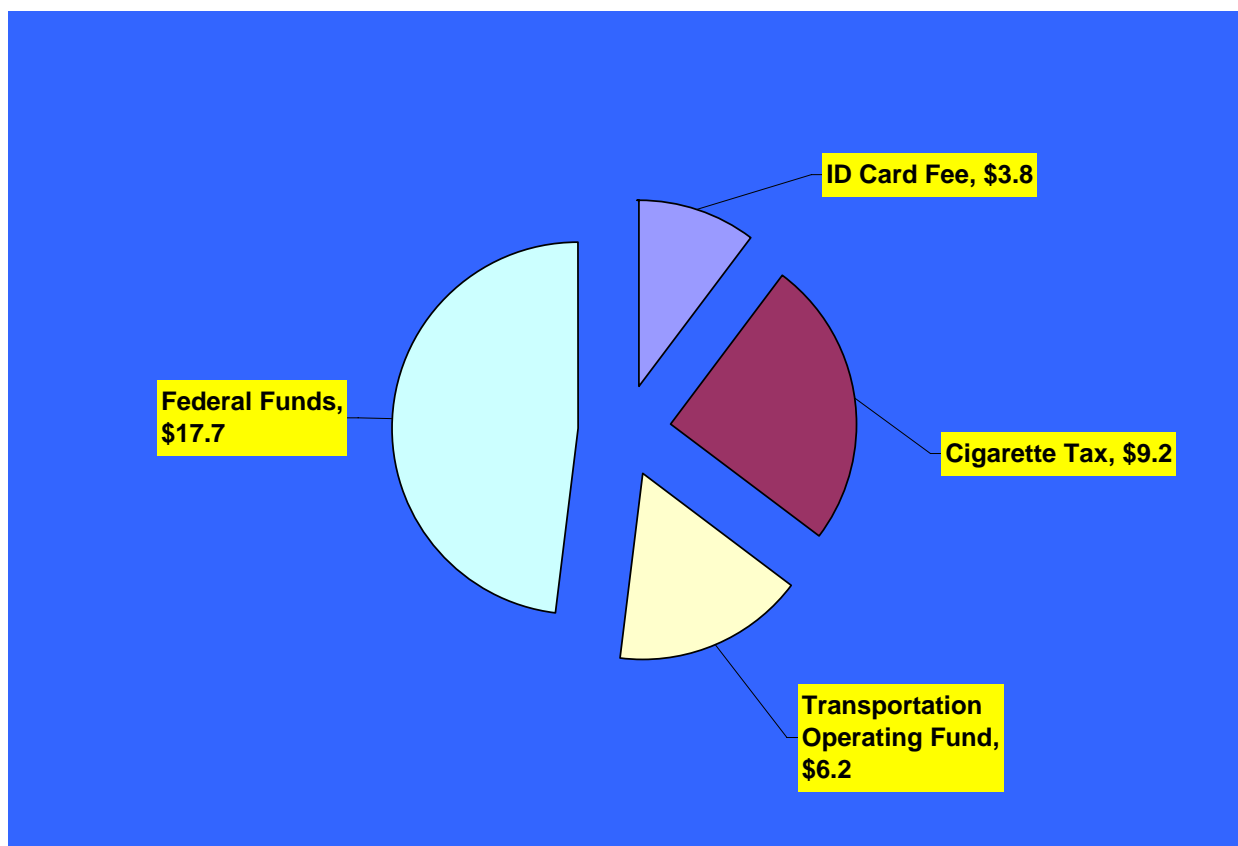
### Transportation Demand Management

The Transportation Demand Management Program encourages development of services and facilities to help ODOT manage transportation system capacity. The program helps ODOT achieve national and state goals for land use, air quality, congestion management, energy conservation and promotion of mobility alternatives for commuters. Examples include rideshare programs, park-and-ride lots, telecommuting, marketing, consumer education and incentive programs to encourage the use of alternatives to driving alone. Division staff provides technical assistance and contract oversight for Transportation Options/Rideshare programs in Albany-Corvallis, Bend, Eugene, Medford, Portland and Salem. Technical assistance is also provided to ODOT regional staff and communities for issue identification and strategy development. \$1.5 million in USDOT Surface Transportation Program (STP) dollars are dedicated to strategic marketing and education initiatives.

Special Needs Transportation Program

Funds are allocated through the Special Transportation Fund Program to Transportation Districts (where they are established), counties, and Indian Tribal Governments in Oregon to deliver or contract with providers to deliver transportation services to seniors and people with disabilities.

Special Needs Transportation is supported by state revenues (cigarette tax, ID Card fees, and Transportation Operating Fund) and federal funds, including the FTA New Freedom program that provides funds for services benefiting individuals with disabilities. Seventy-five percent of the state money is distributed as formula grants based on population. The other 25 percent of the state money and the federal funds are distributed as discretionary grants based on need and merit.



**Figure 3: Sources of Special Transportation Program 07-09 Funds (\$36.9M)**

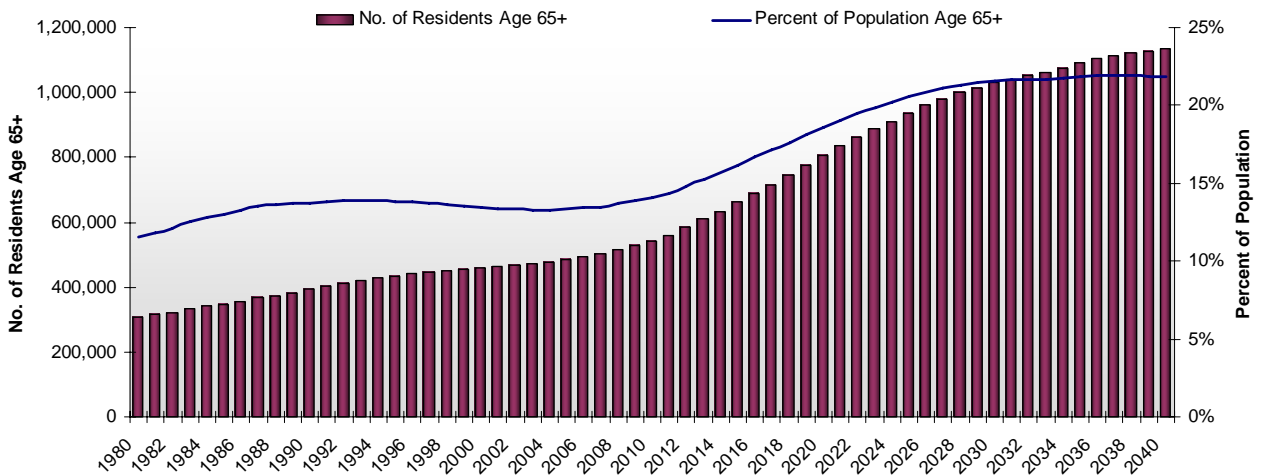
**ISSUES AND TRENDS**

Aging Population

One of the most significant challenges transit faces is that the population at both the national and state level is aging. Of the 50 states enumerated in the 2000 Census, Oregon had the 10th highest percentage of population aged 65+. Oregon is projected to have the third highest percentage by 2040. From national studies, we know that 25 percent of people over 75 years of age do not drive, and that, on average, people live from seven to 11 years after they stop driving. We also know that crash rates per mile driven are higher than for middle-aged drivers, but that because of voluntary reductions in driving, crash rates per person are about the same. However, seniors are much more likely to die from injuries suffered in a crash.

The following table shows the number of people age 65+ (vertical bars scaled on the left axis) and the age 65+ population as a percentage of state population (the line scaled on the right axis). Population is actual from 1980 through 2000 and projected from 2001 through 2040. During the 60 year period from 1980 to 2040, Oregon’s population age 65+ is projected to grow 367 percent from 300,000 in 1980 to 1.1 million in 2040. The percentage of Oregon’s overall population, age 65+ is projected to almost double, increasing from 12 percent in 1980 to 22 percent in 2040.

**Oregon Population Trend, Age 65+**  
 Actual and Projected Oregon Population Age 65+ from 1980 to 2040



Source: DAS Economic Forecast; Portland State University; and 2000 US Bureau of Census.

It is also important to note that the percentage of population age 65+ is not evenly distributed in Oregon. The population of urban counties where 64 percent of Oregonians live, and where more transit service is available, averages about 12 percent age 65+. The population of rural counties is older with about 16 percent age 65+ on average.

Studies show that most seniors can effectively use fixed route public transit systems if service is close to their home and sufficiently frequent, adequate information is provided, there are bus shelters with benches and traveler supports are available (such as travel training) to help people get over the anxiety associated with doing something new.

### Coordination Challenge: Public and Human Service Transportation

The division is actively engaged with other state and local agencies managing transportation resources for general public, special needs, and social services clients. However, we need to identify and implement strategies to better coordinate transportation policy and resources. A desired coordination outcome is to share and leverage resources to enable more people to be served at any given level of investment. The Governor has identified as a major state budget driver the 31 percent increase in the age 65+ population expected in the next 10 years (from 2005 to 2015).

A recent federal and state requirement is to create a “coordinated human service public transportation plan.” This new planning requirement offers local communities and human service agencies an opportunity to evaluate their local services and service needs to improve service through coordination and resource enhancement. The plans also give the Public Transit Division and the Department of Human Services (DHS) guidance to appropriate investments and incentives to improve transportation for seniors and individuals with disabilities. PTD and DHS will be continuing to work together with local communities to put the plans to work.

### Increasing Costs of Fuel, Insurance, and Regulation

Transit faces increasing cost pressures in a number of areas—fuel, insurance, and costs associated by recent international events.

New federal laws and rules also increase cost. The FTA and Homeland Security are imposing new safety and security standards with compliance costs. Environmental concerns include more severe particulate emission standards and the requirement to use ultra-low sulfur diesel fuel.

### Americans with Disabilities Act

Americans with Disabilities Act (ADA) regulations have a significant impact on transit service design. ADA regulations require that services be open and available to individuals with disabilities on an equivalent basis. One very visible example of this is wheel chair lift equipped vehicles. Public fixed route providers are required to provide a service called, “Complementary Paratransit,” or services that “complement” their fixed route service.

This service is provided to individuals, who because of their disability, are unable to get to or use the traditional fixed route service. Complementary Paratransit requirements include: services must be provided within three quarters of a mile on either side of a fixed route, with the days and hours of service as the fixed transit route, with fares that are no greater than two times as much as the fixed route fares, and geographic consistency.

### Department of Human Services Budget Note

The 2007 Legislature directed the Department of Human Services and ODOT, through a DHS budget note to:

“...investigate sources of new revenue to enhance funding for elderly and disabled transportation services, with consideration of both urban and rural Oregon.”

The Department of Human Services and the Oregon Department of Transportation are directed to submit their findings to the Department of Administrative Services and the Legislative Fiscal Office prior to the 2009 Legislative session. A key element in responding to this Legislative request will be the completion of a needs assessment that will give the 2009 Legislature a clear and comprehensive picture of the public transit needs of seniors and individuals with disabilities, now and in the future.

A work group and a steering committee have been formed by DHS and ODOT. A work plan has been drafted.

**Summary**

The Public Transit Division provides financial assistance, advocacy, and technical assistance to communities and local transportation providers that provide public and specialized transportation service.