

Bike/Ped/Transit Work Group Recommendations Statewide Transit Improvement Fund

Purpose

This Statewide Transit Improvement Fund will improve public transportation services to better meet the needs of communities, including more frequent service and new routes in urban areas, new or expanded service in rural areas and small towns, improved intercity connections, and enhanced services to meet the needs of Oregonians throughout the state.

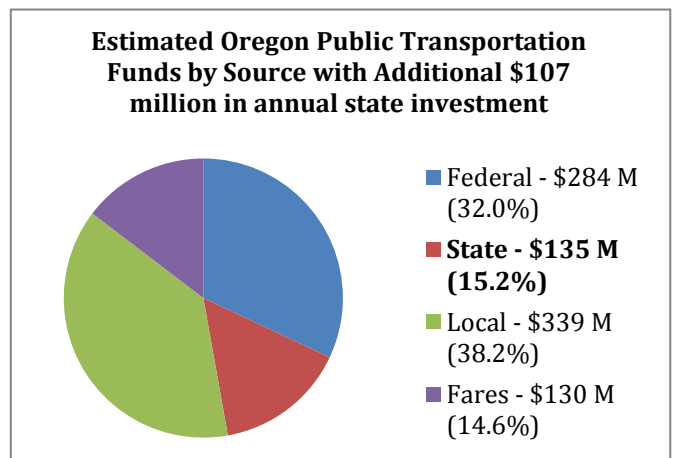
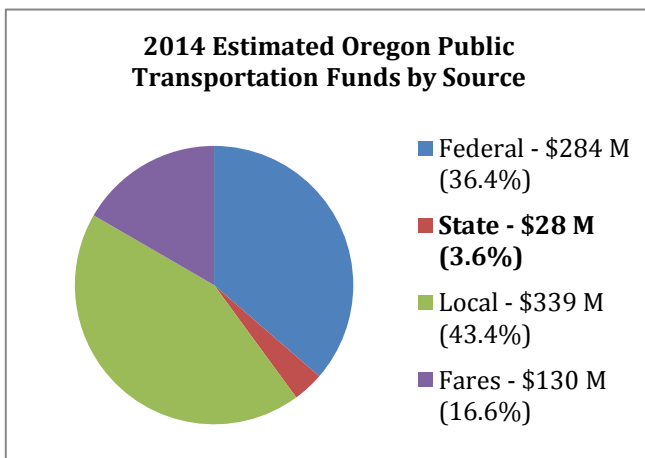
Desired/Expected Outcomes

- Increased frequency, routes, hours, and days
- Better connections within and between communities
- Expanded access to jobs, education, services, and destinations
- Improved service for underserved/disadvantaged communities
- Reduced congestion and improved air quality
- Vehicles in state of good repair
- Reduced household expenses for transportation
- See [Better Transit Oregon](#) for specific examples

Funding

- Current: \$28 million/year in state funding from all sources:
 - Special Transportation Fund (Elderly and Disabled funding from portions of cigarette tax, non-highway gas tax, DMV ID card revenue, and general fund)
 - Revenue in-lieu of Mass Transit Payroll Assessment leveraged on state payrolls within transit districts, and
- New: \$107.1 million/year employee tax of .001 with statewide distribution (see below)
- Total: \$135 million/year in state funding from all sources

An additional annual state investment of \$107 million would bring Oregon closer to the 22.6% national average state investment for public transportation.



Match Requirements

None, resources may be used to leverage federal funds

Accountability Requirements/Metrics

- Providers, in consultation with community stakeholders, will report to the OTC on actions they took to mitigate the impact of employee tax on low income residents.
- Service providers required to submit plans for service improvements
- Compliance reviews
- OTC report on fund outcomes to Legislature

Distribution of Dedicated Funds

- 85% Formula: Distributed to transit districts, counties and tribes* for service improvements, such as operations, capital, planning, technology, and more
- 10% Service Enhancements: Distributed through competitive grant process to address needs and opportunities beyond a provider's typical operations plan exclusive of large urban transit providers
- 4% Improved Intercity Connections: Set aside for new or expanded long-distance intercity connections between communities
- 1% Statewide Resource Center: Provides technical assistance to primarily rural public transportation providers in the areas of compliance, technology, training, and planning

* Current coordinating/lead service provider agencies