

COMMITTEE ON TRANSPORTATION AND INFRASTRUCTURE
H.R. 6052, THE “SAVING ENERGY THROUGH PUBLIC TRANSPORTATION ACT OF 2008”

June 12, 2008

BACKGROUND

In 2007, Americans took more than 10.3 billion trips on public transportation, the highest level in 50 years. Public transportation use is up 32 percent since 1995, a figure that is more than double the growth rate of the population and up substantially over the growth rate for vehicle miles traveled on our nation’s highways for that same period. Public transportation use saves fuel, reduces emissions, and saves money. Public transportation use saves the United States the equivalent of 4.2 billion gallons of gasoline annually, or more than 11 million gallons of gasoline per day. Public transportation use is estimated to reduce carbon dioxide emissions by 37 million metric tons annually. A commuter who switches from driving to work alone to public transportation can reduce carbon dioxide emissions by 20 pounds per day, or more than 4,800 pounds in a year. Public transportation use provides an affordable alternative to driving, as households that use public transportation save an average of \$6,251 every year. As such, increasing public transportation use is a priority of the Committee on Transportation and Infrastructure.

A primary objective of H.R. 6052, the “Saving Energy Through Public Transportation Act of 2008”, is to reduce the United States dependence on foreign oil by encouraging more people to use public transportation. According to a recent study, if Americans used public transit at the same rate as Europeans – for roughly 10 percent of their daily travel needs – the United States could reduce its dependence on imported oil by more than 40 percent, nearly equal to the 550 million barrels of crude oil that we import from Saudi Arabia each year.

H.R. 6052, THE “SAVING ENERGY THROUGH PUBLIC TRANSPORTATION ACT OF 2008”

To increase public transportation use across the United States, H.R. 6052, the “Saving Energy Through Public Transportation Act of 2008”:

- ***Authorizes \$1.7 Billion of Capital and Operating Funds for Transit Agencies to Reduce Fares and Expand Transit Services.*** This section authorizes \$850 million (General Fund) for each of fiscal years 2008 and 2009 to allow public transit agencies to reduce transit fares and expand transit services. These funds will allow transit agencies to provide incentives for commuters to choose transit options, thereby reducing our nation’s transportation-related energy consumption and reliance on foreign oil, as well as decreasing its greenhouse gas emissions. These funds will be distributed under current law urban and rural transit formulas (49 U.S.C. 5307 and 49 U.S.C. 5311, respectively). The Federal share for these grants is 100 percent and funds will only be available for a two-year period.
- ***Increases the Federal Share for Clean Fuel and Alternative Fuel Transit Bus, Ferry, or Locomotive-related Equipment and Facilities from 90 percent to 100 percent.*** Under current law, the Federal share of the portion of transit buses, ferries, or locomotives that is for clean fuel or alternative fuel-related equipment or facilities for compliance with the Clean Air Act is 90 percent. Under the Federal Transit Administration’s interpretation

of current law, the total Federal share for alternative fuel buses only increases from 80 percent to 83 percent. The bill increases the Federal share for the alternative fuel vehicle-related equipment from 90 percent to 100 percent of the net project cost for fiscal years 2008 and 2009. As a result, the total Federal share for such buses will be more than 90 percent.

- ***Extends Transit Benefits to All Federal Employees.*** Under current law, all Federal agencies within the National Capital Region are required to establish a transit pass benefits program and offer transit passes to Federal employees. The bill establishes a nationwide Federal transit pass benefits program and requires all Federal agencies in the United States to offer transit passes to Federal employees. The bill also requires that the Department of Transportation (“DOT”) to establish specific guidance for implementing the nationwide transit pass benefits program. The guidance will ensure that Federal agencies have the necessary administrative procedures to ensure that Federal employees properly use the program.

The current law requirement originated with Executive Order 13150, signed by President Clinton on April 21, 2000. The Executive Order required that all Federal agencies within the National Capital Region offer transit passes to Federal employees. It also required the Department of Transportation (“DOT”), the Environmental Protection Agency, and the Department of Energy to implement a nationwide three-year pilot transit pass benefit program for all qualified Federal employees of those agencies.

The Department of Transportation has determined that both the National Capital Region program and the nationwide pilot program are a success, and recommends that the transit pass benefits program be extended to all Federal employees nationwide.

- ***Establishes a Vanpool Pilot Program.*** The bill establishes a two-year pilot program to allow the amount expended by private providers of public transportation by vanpool for the acquisition of vans to be used as the non-Federal share for matching Federal transit funds in five communities. Under current law, only local public funds may be used as local match, and this pilot program allows private funds to be used in limited circumstances. The provision requires the private providers of vanpool services to use revenues they receive in providing public transportation, in excess of its operating costs, for the purpose of acquiring vans, excluding any amounts the providers may have received in Federal, State, or local government assistance for such acquisition. The Department of Transportation will implement and oversee the vanpool pilot projects, and will report back to Congress on the costs, benefits, and efficiencies of the vanpool demonstration projects.
- ***Increases the Federal Share for Additional Parking Facilities at End-Of-Line Fixed Guideway Stations.*** The bill increases the Federal share for additional parking facilities at end-of-line fixed guideway stations to increase the total number of transit commuters who have access to those stations. The bill increases the Federal share from 80 percent to 100 percent for fiscal years 2008 and 2009.