



Lane Transit District

Lane Transit District 2009 Legislative Agenda

Background

Lane Transit District has experienced tremendous success in recent years. The new EmX (bus rapid transit) line connecting downtown Eugene and downtown Springfield has been an incredible success, with ridership exceeding 20-year projections immediately after it opened in January 2007 and increasing an additional 20 percent in its second year of operation. An extension of the line from downtown Springfield to the Gateway area to the north is in final design and expected to be operational by the end of 2010. Planning has started for an extension of the EmX service into West Eugene.

Ridership throughout the system has experienced significant growth, increasing by 17 percent in the past year and 35 percent during the last three years. LTD now has more than 11.4 million boardings per year. This tremendous ridership growth is attributed to an expansion of the group pass program to middle school and high school students, skyrocketing fuel prices, and EmX.

High fuel prices are a double-edged sword. While they have encouraged many new people to use transit, they have also had a significant impact on the District's operating cost. LTD purchases approximately 1 million gallons of fuel per year, so the fuel price increases have added millions of dollars to the District's budget in the last couple of years.

In addition, the District has been experiencing increased use of demand-response service for elderly and disabled riders. This service, which is federally mandated but not federally funded, is very expensive. In the last ten years, LTD's annual contribution for this service has increased by more than \$2 million.

The combination of increased fuel costs, increased costs for paratransit service for people with disabilities, and a weakening local economy have created a significant budget deficit. Consequently, the District is in a position of considering a service reduction of up to 15 percent during a time of unprecedented demand for service.

The legislative agenda for 2009 is focused on addressing the District's operating deficit while continuing to prepare for the future transit needs of the community. The proposals would increase LTD's operating revenues and provide funding for continued expansion of the EmX system.

Legislative Requests

Request: \$25-\$30 million to fund construction of West Eugene Extension of the EmX bus rapid transit system

- The West Eugene EmX Extension will serve a growing area with transportation challenges.
- The first Franklin EmX line exceeded 20-year ridership projections in the first year.
- The Gateway EmX Extension will open in late 2010.
- These funds would match \$50 million in federal funding.

Request: Transportation for older adults and people with disabilities

- RideSource, which provides curb-to-curb service for elderly and disabled riders, cost LTD \$2.5 million this year.
- Those funds would otherwise be spent on the fixed-route system.
- A state workgroup is expected to issue a report this summer identifying the total need; LTD supports state funding to fill the gap between current revenues and the need.
- This funding problem impacts transit systems throughout the state.

Request: Consider changes to state law in order to allow LTD to raise revenues

- Ridership has increased 35 percent in the last three years, but skyrocketing fuel costs, increases in costs for elderly and disabled transportation, and a shaky economy have created a budget shortfall.
- LTD is considering reducing service by 15 percent.
- LTD wants to meet the demand while interest is high.
- Current law allows the payroll tax to “stair-step” up to \$7 per \$1,000 of payroll by 2014 (it’s currently \$6.40 per \$1,000 of payroll).
- While no decisions have been made, the LTD Board may ask the Legislature to either: (1) accelerate the stair-step to \$7 immediately, or (2) accelerate the stair-step and allow the payroll tax to rise to \$7.50 per \$1,000 of payroll or more.

More information, contact:

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