



Oregon

Kate Brown, Governor

Department of Transportation

Director's Office

355 Capitol St. NE, MS 11

Salem, OR 97301

DATE: May 13, 2015

TO: Senate Committee on Business and Transportation

FROM: Hal Gard, Administrator
ODOT Rail and Public Transit Division

SUBJECT: House Bill 3401-A

INTRODUCTION

Oregon House Bill 3401-A directs the Oregon Department of Transportation to study and make recommendations on options to improve on-time performance of passenger rail and to increase ridership. The bill also directs ODOT to develop and implement a passenger rail plan and report to interim legislative committees on transportation by November 30, 2015. The department must also report quarterly to the legislature on passenger rail ridership and on-time performance.

BACKGROUND

In addition to other mitigating factors, Oregon's passenger trains often incur delay because of interference caused by other trains that share the same rail route. Riders have expressed frustration over delays and, as a result, some have indicated a refusal to continue to use the passenger rail service.

ODOT is actively working with partners to improve on-time performance by meeting on a bi-weekly basis with Washington State Department of Transportation, Amtrak, BNSF, Union Pacific and other stakeholders to discuss issues and identify solutions. Union Pacific has responded positively to our concerns, and ODOT has seen an improvement in on-time performance since completing a major tie replacement and track surfacing program in February 2015. On-time performance in April of 2015 was at 92% as compared to 79.2% in January.

In addition, while passenger rail ridership has generally trended upward over the past two decades, we saw a drop in ridership in 2014. In January 2014, Oregon updated its schedules to offer better connections for Willamette Valley passenger rail users with the goal of supporting the continued growth in passenger rail ridership. Several factors can be attributed to the decline in ridership in Oregon: one of the more popular trains that left Eugene later in the morning was eliminated to allow the new schedule, on-time performance dropped, and the host railroad was completing a significant amount of track work.

DISCUSSION

House Bill 3401-A provides ODOT with a framework to address on-time performance and ridership. The bill directs ODOT to study and make recommendations on options for improving on-time performance of passenger rail that include examining the feasibility of modernizing dispatch systems and identifying infrastructure improvements that will improve on-time

performance. This will entail investigation into the types of train dispatching systems available today and how they compare with systems currently used on rail lines in Oregon. ODOT would explore how other states are accomplishing on-time performance goals, including how they may be using third party dispatching and incentives as tools to achieve those goals. ODOT would need to rely upon cooperation from UP, BNSF, Amtrak, and other stakeholders with respect to learning and evaluating the methodology used in assigning priorities to the movement of trains. Since states lack regulatory oversight due to federal preemption, the way forward is to engage host railroads to explore ways for improving on-time performance through a variety of means, including infrastructure improvements such as adding new sidings for meeting and passing trains.

HB 3401-A also directs ODOT to undertake an effort to increase passenger rail ridership, including reviewing its schedule. As a schedule change in 2014 was likely a contributing factor to a drop in ridership, ODOT has undertaken an effort with its partners to review and modify its schedule. The requirements in HB 3401-A holds the agency accountable for these efforts by requiring a report to the legislature and creates a pathway to propose legislation should that be needed to resolve the problem.

Lastly, HB 3401-A directs ODOT to create a passenger rail plan with a goal of increasing ridership and ticket revenue. The bill directs ODOT to develop a marketing strategy, a strategy to boost ridership and a strategy to increase tourism through passenger rail. This direction is in alignment with ODOT's effort to seek a \$10.4 million General Fund request to continue to fund the Amtrak Cascades service, also allowing ODOT to market the service to increase ridership on the trains.

ODOT must report back to the legislature on the requirements in the bill by November 30, 2015. The agency must also provide quarterly reports to the legislature about passenger rail ridership and on-time performance.

SUMMARY

House Bill 3401-A requires ODOT to take steps to improve on-time performance, increase ridership and revenue and to market the service and report to the legislature by November 30, 2015. The bill codifies in statute efforts underway and creates a reporting mechanism that holds the agency accountable to the legislature for these actions.