



Oregon

Kate Brown, Governor

Department of Transportation

Office of the Director

355 Capitol St NE

Salem, OR 97301

March 13, 2019

Senator James Manning Jr., Co-Chair
Representative David Gomberg, Co-Chair
Joint Committee on Ways and Means
Subcommittee on Transportation and Economic Development

Dear Co-Chairs Manning and Gomberg, and members of the committee,

Thank you for the opportunity to appear before your committee and provide information about ODOT's budget and programs. The committee raised a few questions during the informational presentation on March 7th; please see below for responses and further information.

Is a social security number required for an individual to obtain a driver license, permit, or ID card in Oregon? If not, why?

Oregon Revised Statute 807.021 requires all license, permit, or ID card applicants provide their Social Security Number (SSN), unless they are ineligible for an SSN, to be issued a driver license, driver permit, or identification card. Pursuant to Oregon Administrative Rule 735-062-0005, individuals ineligible for an SSN must provide proof of their ineligibility; accepted forms of proof of ineligibility include documents issued by the Social Security Administration, the U.S. Department of Homeland Security, or other federal agencies or courts, stating that the person is not eligible to be assigned an SSN.

OAR 735-062-005 further states that DMV will not accept proof of ineligibility for a SSN from any applicant who presents proof of being a citizen or lawful permanent resident of the U.S., or proof of being legally present in the U.S. with authorization to work. This administrative rule language is based on CFR §422.104, defining who is eligible for a SSN, and includes all United States citizens, lawful permanent residents, and those legally present in the U.S. with authorization to work.

Can ODOT provide more detail regarding PKG 160, related to 3rd party businesses conducting driver testing?

The three positions included within this package will expand the third party testing program at DMV. It includes training of third-party testers at remote locations, and conducting onsite inspections and complaint investigations. The services and supplies budget is higher than normal because of the traveling nature of these positions.

Total Personal Services	\$452,374
Services & Supplies	
<i>Vehicle</i>	\$25,000
<i>Associated S&S</i>	\$50,000
Total	\$527,374

Questions were raised regarding Oregon's passenger rail program, including funding, ridership, and program development. Please find additional program detail below.

The Importance of Passenger Rail in Oregon

Maintaining and improving passenger rail in Oregon is critical to providing an alternative to car and bus use on I-5 between Portland and Eugene. As Oregon's population and traffic congestion continue to grow, passenger rail provides an important option for travelers to avoid the congestion on I-5. Since 2014 ridership has declined due to several factors: 1) the schedule change implemented in early 2014 did not meet customer demands as predicted by Amtrak and created additional passenger train interference resulting in delays; 2) gasoline prices dropped, incentivizing increased driving; and 3) the Bolt Bus began service, creating another alternative for transportation along the I-5 corridor.

Background

ODOT initiated daily round trips on the Amtrak Cascades service between Eugene and Portland in 1994. Since that time, Oregon has invested more than \$77 million in capital improvements for passenger rail service, including railroad infrastructure, stations, and rolling stock. A second daily round trip was added in 2000 resulting in significant ridership increases. In 2010, ODOT purchased two new trainsets now in service on the Amtrak Cascades corridor.

Looking Forward

In the next 20 years, the population of the Willamette Valley is projected to grow by approximately 27 percent to 3.6 million residents,¹ along with an increase in freight volume of approximately 60 percent,² placing significant pressure on Oregon's transportation system. Both passenger rail and freight utilize the same facilities within the Pacific Northwest Rail Corridor (PNWRC), resulting in future demand that will exceed the available rail capacity in the Willamette Valley. While regional and statewide transportation plans may include some additional transportation capacity in the Willamette Valley by 2030, there are no plans to build capacity into the highway and rail systems commensurate with the magnitude of growth in people, jobs, and freight.³

The Oregon Transportation Plan forecasts public transportation ridership will increase by an annual rate of 3.2 percent between 2005 and 2030, and that passenger rail ridership will grow by 3.6 percent annually during the same period.⁴ In comparison, the Plan forecasts highway vehicle miles traveled will grow by a lower annual rate of 1.4 percent between 2004 and 2030. Between 1995 and 2018, ridership on the Oregon segment of the PNWRC grew 129 percent, due in part to the additional daily round trip added in 2000, which alone nearly doubled ridership, from 52,445 in 2000 to 96,255 in 2001.

Factors contributing to the increase in passenger rail ridership experienced through 2014 include, but are not limited to:

- Population growth
- Rising costs of highway travel and diminished performance through congestion
- Aging populations that cannot, or choose not to drive, and need alternate travel options, as well as younger populations that desire the same
- Growing environmental awareness and concerns about climate change
- Improved information and communication technology, and intelligent transportation systems that ease rail system use, and enhance the travel experience
- Public and private investments that improve rail service

Despite the recent ridership decline between 2015 and 2018, these longer term trends indicate a growing demand for intercity passenger rail service. A recent survey conducted by ODOT indicated the number one reason riders use Amtrak Cascades is to avoid traffic. Additionally, the survey found that more people would ride the Amtrak Cascades if it were faster than driving.

¹ Oregon Department of Administrative Services (DAS), Office of Economic Analysis. 2013. *Forecasts of Oregon's County Populations and Components of Change, 2010-2050*.

² Oregon Department of Transportation (ODOT). *Oregon Freight Plan*. Adopted by the Oregon Transportation Commission on June 15, 2011.

³ ODOT. 2014. *2015-2018 Statewide Transportation Improvement Program*.

⁴ ODOT. 2006. *Oregon Transportation Plan*. Adopted by the Oregon Transportation Commission on September 20, 2006.

Over the past decade, travel choices in Oregon have trended toward transit and regional passenger rail. This is consistent with national trends showing reduced driving within and between urban areas by the 65+ and 25-38 age groups.”⁵ These changing demographic trends contribute to an increased demand for non-automobile intercity travel and could result in unprecedented ridership increases. Based on population growth predictions, Oregon can expect to have future needs similar to those currently experienced in the State of Washington between Vancouver, B.C., Seattle, and Portland.

ODOT has a vested interest in proactively planning for the rail system’s future so that Oregon’s residents and businesses can capitalize on the benefits freight and passenger rail services provide. ODOT has funded a variety of rail improvements on the existing UP mainline to mitigate effects of increased passenger service on freight operations. If passenger rail service in Oregon ceases, Oregonians lose the current and future value of their investment and lose one of few transportation options that enable efficient movement through much of the Willamette Valley. ODOT estimates that restoring service after 10 years would cost approximately \$146.5 million.

Passenger Rail Ridership and Subsidies

Passenger rail ridership and per-rider subsidies are influenced by many factors, including: the price of vehicle fuel, the stage of the economic cycle(s), competition of other modes, demographics, and relatively inflexible schedules (*i.e.* the inability to add service and the difficulty in changing departure times). The most significant factors are low fuel prices and competition with lower price bus tickets (Bolt Bus).

ODOT currently subsidizes passenger rail at a fully-loaded rate of \$100.60 per rider for fiscal year 2018, down from \$107.50 per rider in the 2015-2017 biennium.⁶ Using the industry-standard “Fare Box Recovery” method of subsidy calculation, the 2015-2017 biennium Fare Box Recovery was \$75.28 per rider, of which ODOT’s contribution was 77 percent. As ticket prices and ridership increase, as planned for in the 2035 planning horizon, fare box recovery will increase thereby decreasing ODOT’s subsidy amount.⁷

Passenger Rail and Greenhouse Gas Emissions

In regions with higher population densities, diverse land use, and efficient integrated public transportation systems, people are less reliant upon automobiles producing greenhouse gas emissions (GHG). Intercity passenger rail with local public transit connectivity can serve as an efficient way to reduce carbon emissions and decrease congestion. While diesel-powered passenger rail systems produce some GHG emissions, the overall emissions avoided by the absence of individual vehicles traveling can be significant. In 2014, the Los Angeles metropolitan area rail system was credited with avoiding 12,997,000 tons of CO₂ emissions.

Expansion of intercity passenger rail frequency in the Willamette Valley serves as the foundation for transforming the region’s transportation patterns, and serves a vital role in reducing GHG emissions and congestion, by reducing the region’s reliance on cars.

Currently, seven new state-of-the-art Siemens Charger locomotives pull the State-sponsored Amtrak Cascades trains. These new engines are 42,000 pounds, 8-feet tall, and meet the strictest Environmental Protection Agency Tier IV emissions standards. Tier 4 locomotive technology reduces particulate emissions from diesel locomotives by as much as 90 percent and nitrogen oxide emissions by as much as 80 percent.

Please don’t hesitate to reach out to me as additional questions arise.

Lindsay Baker
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⁵ American Public Transportation Association. 2013. Millennial Generation Desires Multi-Modal Transportation System. https://www.apta.com/mediacenter/pressreleases/2013/Pages/131001_Millennials.aspx

⁶ This subsidy estimate is comprehensive and includes ODOT Passenger Rail staff wages and benefits, services and supplies including agreements for operations, capital equipment maintenance, fuel, host railroad costs, improvements, insurance, marketing, contingency, and other miscellaneous costs for running and growing passenger rail.

⁷ Oregon Passenger Rail Corridor Investment Plan Tier 1 Draft Environmental Impact Statement.