

## **SB 1471 and HB 1263: Legislative Intent**

The intent of the legislation is to respond to the growing need for regional approaches and solutions to managing traffic congestion and improving transportation options for residents, businesses, and visitors in Tennessee's large urban areas. In an effort to ensure continued economic growth and prosperity and to encourage environmental sustainability, the legislation seeks to establish additional tools for local governments in those areas to work cooperatively to plan, finance, construct, operate, maintain, and manage mass transit systems and related activities to include, but not limited to, demand-response transit services, vanpool programs, rideshare programs, local bus services, regional bus services, bus rapid transit services, light rail transit services, commuter rail services, park-and-ride lots, transit-oriented-development nodes, and all infrastructure that would be required to support or sustain such facilities or services and related activities.

## **Overview of Legislative Requests of SB 1471 and HB 1263**

In the spirit of regional cooperation not seen in recent memory, public and private interests have prepared a request to the 106th General Assembly to enable regional partners to exercise limited powers to meet the growing demands for a nationally-competitive transit system. Highlights of SB 1471 and HB 1263 include:

- ❖ An opportunity to dedicate a regional revenue source from a menu of funding options, subject to voter approval or approval by local governing bodies, in order to expand transit services and to support existing and future state and federal Investments;
- ❖ The authority to issue bonds for faster response to travel demand and market-driven development opportunities;
- ❖ The ability to expand or create new transit districts in large urban areas throughout the great state of Tennessee;
- ❖ The request does not include the establishment of any new taxes, nor does allow for an increase in the rates of existing taxes without the future consent of voters or local governing bodies;
- ❖ The request seeks to establish a framework for the pursuit of dedicated regional funding for transit and is distinct from other efforts pursuing increased state funding for transportation infrastructure.

## Frequently Asked Questions about the Proposed Legislation

### *Who is supporting this effort?*

Support for the proposed enabling legislation is widespread and includes several local governments throughout the greater Nashville region and other large urban areas in the state of Tennessee, the mayors on the executive board of the Nashville Area MPO, the Nashville MTA Board of Directors, the Franklin Transit Authority Board of Directors, the Murfreesboro Rover, the Regional Transportation Authority, the Greater Nashville Regional Council, the Council on Aging, the Nashville Area Chamber of Commerce, Cumberland Region Tomorrow, Tennessee Public Transportation Association, and others.

### *Will the legislation raise taxes?*

No, the proposed state legislation provides a legal framework to support regional decision-making on how to plan, finance, and operate transit in Tennessee's large urban areas including the greater Nashville region. If signed into law, the legislation would not raise taxes, but it will allow voters or local governing bodies to make certain choices at some point in the future about how best to fund mass transit.

### *Where is the plan for how transit will improve our region's quality of life?*

Policy makers and planners need your input to help determine what the future holds for transit in this region.

There have been numerous studies and plans compiled by agencies over the years. Building upon those efforts, the Nashville Area MPO – the regional transportation planning agency for several counties in middle Tennessee -- is working with public and private interests to develop a comprehensive multi-modal transportation plan for the greater Nashville region. That plan will provide more information about how transit will shape the region's future. Scheduled for adoption in Spring 2010, the plan will layout a vision for roadways, transit, and other transportation investments through the year 2035. For those living in Davidson County, the Nashville MTA is currently developing a local transit master plan to be incorporated into the MPO's regional plan.

### *Will dedicated funding for transit change how we currently invest in transportation?*

The proposed state legislation provides support for mass transit and public transportation infrastructure and service expansion through the establishment of additional local governmental powers that include the ability to dedicate a source of local/regional revenue to transit. On the surface, it does not call for an increase in

funding for transit, just the creation of a stable and reliable source of funding. But, the reality is that funding beyond the current levels will be required to improve transit throughout the region.

This effort does not address, propose, or endorse the redirection of traditional “roadway” dollars to other modes of transportation. That is a policy matter left to the United States Congress, the state legislatures, and local mayors and county executives of Metropolitan Planning Organizations. On a national level, the traditional parameters and requirements for using transportation dollars from the Federal Highway Administration Surface Transportation Program (STP) have been reshaped over the years by federal transportation legislation (most recently SAFETEA-LU). FHWA provides MPOs and state DOTs discretion to use STP funds for a host of eligible transportation improvements that now include investments in ITS, transit, and non-motorized modes. Those decisions will not be made by any current or proposed Regional Transportation Authority, unless that Authority is designated as a local MPO, which is not the intent of the proposed legislation. The case for dedicated funding is based on the following:

- ❖ At present, the local share of funding for transit is derived from general fund contributions from local governments on an annual basis, making it difficult for transit agencies to commit to service expansion. This situation has recently worsened as increasing fuel costs have cut into existing services. The unpredictability of future revenues beyond a single year discourages system development for fear of having to cut services if local funds are not budgeted. That as demand for transit has seen sharp increases over the past decade.
- ❖ This region is currently missing out on millions of dollars in federal transit administration grant funds for the development of fixed-guideway systems to include bus rapid transit, light rail transit, and other passenger rail modes. Federal regulations require proof of a dedicated source of revenue to secure the operations of service started with significant federal investments. Those transit capital dollars are appropriated by the US Congress specifically for transit systems and cannot be redirected to roadways or transit operations.
- ❖ The region will continue to miss out on those federal funding opportunities as grant funds for transit system development are anticipated to increase under the current administration. Our region will be at a disadvantage to competing regions who have adapted to federal requirements. This regional movement, which includes the introduction of state legislation, is one of several hundred

going on across the nation by metropolitan regions that realized the importance of mass transit options to deal with urban congestion and to conform to a changing economy. Many areas have not, up until this point, adequately established local/regional funding opportunities for mass transit.

***Would a city or county have to be a member of an RTA to receive services from a regional transit provider?***

No, a city or county would not have to be a member of an RTA to benefit from its services. Any city or county could hire by contract an RTA or any other transit operator to provide services. In that case, the city or county would be responsible for any required local revenues to support such service.

***Would the RTA be able to supersede or ignore local laws and regulations related to land use and land development?***

As a creature of state law, the current RTA would have sovereign immunity, but the legislation proposes to limit this power to require the RTA to follow all local land use laws and land development regulations.

***Does a regional transportation authority need the power of eminent domain?***

The acquisition of property is a necessary step in the implementation of any public plan to improve transportation infrastructure. While the RTA could request its local government members to acquire property through a local power of eminent domain, recent experience in acquiring land for commuter rail stations along the east corridor suggests that the better approach would be to allow the RTA to do this independently from local government. The legislation will limit the power of eminent domain to the acquisition of property that is necessary for the construction of transportation facilities and transit stations. It is not intended to be used for the acquisition of land for economic development purposes.

***Will any existing or new RTA replace or exert control over existing transit agencies like the Nashville MTA, Franklin Transit Authority, or the Murfreesboro Rover?***

No, The RTA legislation does not in and of itself create another transit operator. It provides a legal framework for local governments and existing transit agencies to work cooperatively to plan, finance, construct, and operate transit systems. The RTA does not inherit from the legislation any control over local operators. The RTA may contract or hire local operators to provide services with funds dedicated to the RTA. That is consistent with the current organizational relationship in middle Tennessee. Currently, the RTA hires MTA to provide administrative staffing support to the Board

and to operate the Relax & Ride service between Murfreesboro and Nashville. It employs Gray Line to operate express bus service between Gallatin and Nashville, the TMA Group to manage the regional vanpool program, and TSG to operate the trains on the commuter rail services. This type of organizational structure may continue to exist with the proposed legislation, but the flexibility is provided in the legal framework to allow the RTA to directly operate service if regional partners choose that option. Again, that is not decided by the legislation.

The role that RTA plays in the conduct of local transit services, or the roles that local transit operators will play in the implementation of RTA transit services, will be defined by the governing Boards of those entities through interlocal agreements or other types of contracts. There are numerous coordination models which regional partners may choose to adopt. The legislation allows for the RTA to pass-through funds to local operators to implement local and regional transit services, but it also allows for the RTA to operate local and regional services should partners chose that approach. Denver, for example, has employed a “regional operator” approach. The Denver Regional Transportation District (RTD) serves as a funding mechanism and regional and local operator of buses and trains. Sound Transit, the RTA in the Seattle region provides funding for local and regional services, but operates only rail services. It contracts with/ passes through funds to local operators for local and regional bus service. Again, this legislation allows the proper framework for regional collaboration and decision-making. It does not seek to make those decisions for this or any other metropolitan region in the state.

### **The Case for Mass Transit: Mobility & Convenience**

Mobility, the freedom and ability to travel, has always been an important part of the American lifestyle. However, as more and more vehicles crowd the nation’s roadways, traffic congestion is having an increasingly debilitating effort on our quality of life.

- ❖ Congestion caused 4.2 billion hours of travel delay and 2.9 billion gallons of wasted fuel in 2005, according to the 2007 Texas Transportation Institute (TTI) Urban Mobility Report.
- ❖ The average person in the Nashville-Davidson area loses about 40 hours and wastes 25 gallons of fuel per year sitting in traffic congestion.

- ❖ 40 percent of all trips are less than 2 miles in distance. Investments in transit, sidewalks, and bikeways really can go a long way in alleviating some of the burden from our roadway system.
- ❖ Public transportation services in America's most congested cities saves more than 1.1 billion hours of additional delay.
- ❖ In a recent (June 2008) telephone survey of residents in Davidson, Sumner, and Wilson counties conducted by the Nashville Area MPO, 90 percent of those surveyed said that public transportation was important for the economy, 88 percent said that rising fuel prices would motivate them to take public transportation, and 87 percent stated that public transportation services should be expanded to increase options. Of those that held those opinions, 77 percent had never ridden public transportation services in the greater Nashville region.
- ❖ National research shows that four out of five seniors believe public transit is a better option than driving alone. By 2025, an estimated 20 percent of Americans will be over the age of 65 and more reliant on alternative forms of transportation.
- ❖ **The greater Nashville region is expected to grow from 1.3 million people in 2008 to more than 2.1 million by 2035, adding significant demands to the regional transportation network. While many may not think that the Nashville region is ready to support a massive light rail or bus rapid transit system today, our region will no doubt be large enough to make those systems viable within the next couple of decades. Those systems take several years to plan, finance, and construct. We must start that process today in order to have the needed infrastructure in place for tomorrow.**

### **The Case for Mass Transit: Economic Growth & Prosperity**

Transportation is the backbone of a strong and prosperous economy, and investments in public transportation generate significant economic benefits.

- ❖ Public Transit enhances economic growth by increasing the local customer base for a range of services.
- ❖ According to the American Public Transportation Association, for every 10 dollars invested in transit capital, 30 dollars is returned to the economy

through increased business sales. Even more is returned for every 10 dollars invested in transit operations.

- ❖ Public transportation provides economic stimulus by creating jobs. Every \$1 billion in federal investment in transportation infrastructure supports and creates 47,500 jobs in manufacturing, construction, finance, insurance, real estate, retail, and other services.
- ❖ Mass transit enhances personal economic opportunity by saving employees money on daily commutes. The average household spends 18 cents of every dollar on transportation costs. Transit riders save an average of \$1,400 per year on gas and up to \$6,251 in savings by eliminating the need for one car.
- ❖ A multi-modal transportation systems saves everyone money. For every \$10 million invested in transit, more than \$15 million is saved by highway and transit users. Americans living in areas with transit save an estimated \$18 billion in annual congestion costs.
- ❖ Transit provides access to jobs and education. About 50 percent of all transit users are on their way to work, and about 12 percent are on their way to school.

### **The Case for Mass Transit: Environmental Sustainability**

As we become more conscious of how our travel behaviors affect our environment, public transportation will play an important role in meeting local, state, and federal environmental sustainability goals.

- ❖ Each year, public transportation saves the U.S. 1.4 billion gallons of gasoline per day, the equivalent of one supertanker leaving the Middle East every 11 days.
- ❖ The health effects of mobile source pollution are a growing hazard for people across America. According to the U.S. EPA, asthma accounts for more than 2 million emergency room visits, 5,000 deaths, and costs the nation more than \$14 billion per year.
- ❖ Public transportation produces 95 percent less carbon monoxide, 90 percent less volatile organic compounds, and 50 percent less carbon dioxide and nitrogen oxide per passenger mile than private vehicles.

- ❖ The Nashville region is expected to be designated by the EPA as non-attainment for ozone levels by 2010 – indicating a growing health hazard for residents.
- ❖ Public transportation supports quality growth management policies aimed at reducing sprawling land development patterns by providing residents more choices for travel.

### **The Case for Mass Transit: Other Benefits**

- ❖ Increase Real-estate Value – Residential, commercial, or office properties that are served by public transportation are valued more highly than properties not accessible by transit.
- ❖ Emergency Preparedness – Public transportation is an important part of most disaster relief or emergency evacuation plans.
- ❖ Transportation for Rural Americans – Transit offers mobility options for rural residents that might have no other way to medical appointments, work, or school.
- ❖ Increased Roadway Safety – Public transportation has 0.03 fatalities per 100 million miles, about 1/25<sup>th</sup> the rate for automobiles.
- ❖ Improved Physical Health – Public transportation contributes to overall personal health by providing physical activity while traveling. More than 1 out of every 3 Tennesseans is considered obese or overweight.

### **For more information:**

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