THE URBAN TRANSPORTATION MONITOR

VOL 24, NO 5 JUNE 7, 2010

Georgia Passes Significant Transportation Funding Mechanism

Creates New Special Transportation Districts with Taxes Remaining in District Where It Was Obtained

The Georgia state legislature recently passed the Transportation Investment Act of 2010, a wide-ranging package of measures that could transform state funding for transportation by implementing a regional approach.

Georgia State Senator Jeff Mullis explained May 7: "This is a comprehensive package that includes voter approval on regional projects, funding those projects, and proper checks and balances for use of taxpayer dollars." The bill emphasizes transparency and accountability, according to Mullis, who serves as chairman of the Transportation Committee and represents the northwest Georgia district of Chattooga, Dade, Walker, and portions of Catoosa County.

The bill, HB 277, would divide the state into 12 newly created special transportation districts; the boundary of each corresponds with the geographical boundary of the state's 12 regional commissions. Each region's voters would get to approve a list of transportation projects and to agree to a sales tax increase to pay for them. As Section 6, Article 5, states: "The purpose of this article is to provide for special districts that will enable the coordinated design and construction of transportation projects that will develop and promote the essential public interests of the state and its citizens at the state, regional, and local levels. The General Assembly intends through the creation of such special districts to enable the citizens within each district to decide in an election whether to authorize the imposition of a special district transportation sales and use tax to fund the projects on an investment list collaboratively developed by the affected local governments and the state."

Georgia Governor Sonny Perdue has

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ULTra PRT Expected to Start Operating at Heathrow Airport This Month

System Set World PRT Record for Capacity Per Hour

The innovative ULTra Personal Rapid Transit (PRT) system, created by Advanced Transport Systems (ATS), will become the world's first PRT system to enter revenue service when it begins operations Heathrow Airport this June.

International name recognition for "ULTra" has grown so large that the corporate name has been changed from ATS to ULTra PRT. The term ULTra was formerly an acronym for "urban light transit," but it is now more of a stand alone brand name for the ULTra system, the company said.

ULTra PRT principal Steve Raney told UTM that the system is currently in an operational testing phase and is scheduled for official launch in summer 2010. Heathrow's new Terminal 5 will have the

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The ULTra PRT at Heathrow Airport.
(Photo: Courtesy of ULTra PRT North America)

San Mateo County Might Follow San Francisco by Creating a Local Ordinance Requiring Employers to Provide Pre-Tax Transit Incentives

Employers Can Save Up to 9% On Payroll Taxes and Employees Up to 40% on Their Transit Costs Through the Commuter Benefit Program.

An initiative is underway in San Mateo County that will recommend the creation of ordinances by local jurisdictions that would require employers to give workers a discount if they used public transportation on their daily commutes. The county expects to make the recommendation to the Board of the City and County Association of Governments of San Mateo County (C/CAG) on June 10.

Joe Kott, a C/CAG staff member, told UTM that the countywide congestion management agency had recommended creation of a San Mateo county pre-tax commuter benefit ordinance modeled after a similar San Francisco ordinance. Under such an ordinance, employers with a certain number of workers would be required to allow employees to spend up to a specified amount per month in pre-tax wages to purchase transit tickets.

Using the San Francisco ordinance as a draft, C/CAG asked for comments from two committees – a technical advisory committee made up primarily of public works employees and a second committee composed of elected officials and citizen stakeholder groups. Although many people supported the idea of transit incentives, Kott said that C/CAG learned that many others were concerned about the threshold in the San Francisco ordinance for requiring employer participation.

In San Francisco, all employers that have 20 or more persons performing work for compensation on a full-time, part-time, or temporary basis and who work an average of at least 10 hours a week while working for the same employer within the previous calendar month, must offer pre-tax transit benefits, employer-paid transit benefits or employer-provided transit. Kott said that the cities located in San Mateo County, which is between San Francisco and San Jose, are significantly different from San Francisco. He suggested that it was naVve to think that an ordinance could be crafted without going back to the individual localities and working with the local communities to meet their specific needs.

According to media reports, only 12 percent of commuters in San Mateo County use transit and 7 out of 10 drivers are on the road alone as opposed to using carpools. Caltran and SamTrans (San Mateo County Transit bus and commuter train) have tried to publicize the tax savings that are available to employees and employers who utilize pre-tax commuter benefits. According to San Francisco officials, employers save up to 9% on payroll taxes and employees save up to 40% on their transit costs through the commuter benefit program. The benefit works like other pre-tax plans such as retirement, dependent care, and medical reimbursement – but officials say that it is simpler.

Effective February 17, 2009, the maximum amount of pretax wages allowed by the federal government for the purchase of transit tickets went up to $230 per month. This would cover the cost of popular Caltrain monthly passes ($112.75 and $159). It also covers any SamTrans monthly pass, the most expensive being $165.

In addition, the Peninsula Traffic Congestion Relief Alliance is offering cash awards to San Mateo County employers to help defray some of the official costs in setting up a commuter benefits program. The Alliance's Commuter Benefit Employer Incentive Program offers cash awards from $75-$1,000 depending on the size of the company and the level of transit or vanpool participation in pretax commuter benefit programs.

Under the San Francisco ordinance, which went into effect in January 2009, employers are required to offer a commuter benefits program to encourage employees to use public transit or vanpools. They can offer commuter tax benefits as a payroll deduction, a subsidized benefit, or a combination of the two. Employers can administer the benefit themselves, purchasing the transit tickets or vouchers each month and distributing them to employees or hire a third-party administrator to manage their program. Pre-tax dollars can be used to pay for transportation on all major Bay Area transit agencies and vanpool expenses.

The San Francisco ordinance also includes penalties for non-compliance. Non-compliance may result in fine: $100 for a first violation, $200 for a second violation within the same year, and $500 for each additional violation within the same year.

For more information visit http://www.ccag.ca.gov/index.html or http://www.sfenvironment.org/our_programs/interests.html?ssi=7&ti=18&ii=41 or contact Joe Kott at 650 599-1453 or by e-mail at jkott@co.sanmateo.ca.us.

The Urban Transportation Monitor, ISSN 10404880, is published monthly, except during January and August (10 issues per year), by Lawley Publications, 6813 Jeremiah Ct., Fairfax Station, VA 22039, Tel: (703)764-0512, Fax: (703)764-0516, e-mail: editors@lawleypublications.com. Subscriptions $295 per year. Periodicals postage paid at Fairfax, VA. POSTMASTER: Please send address changes to The Urban Transportation Monitor, P.O. Box 12300, Burke, VA 22009-2300.
The Urban Transportation Monitor publishes current news on all modes and aspects related to urban transportation. Lawley Publications is an independent and privately owned organization.

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