



Association for Commuter Transportation  
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**Prepared Testimony**

**Submitted to**

**House Transportation & Infrastructure Committee  
Highways & Transit Subcommittee**

**Presented by**

**Jon Martz, Chair  
Association for Commuter Transportation Public Policy Council**

Chairman Mica (R-FL), Chairman Duncan (R-TN), Ranking Member Rahall (D-TN), and Ranking Member DeFazio (D-OR), on behalf of the Association for Commuter Transportation (ACT), I want to extend my gratitude for the opportunity to speak with you this afternoon.

My name is Jon Martz; I am here representing the Association for Commuter Transportation in my capacity as Chair of ACT's Public Policy Council. In my free time, I serve as the Vice President of VPSI, the nation's largest vanpool provider.

ACT is an association dedicated to providing commuters with options by engaging in public-private partnerships to encourage carpooling, vanpooling, telework, biking, walking, and transit. Our members consist of private sector employers, transportation agencies, transportation management organizations, and universities from across the country.

First, I want to start by thanking you for your commitment to complete a transportation bill this year. Whether it's putting construction workers back to work, providing Americans with options from the pain at the pump or getting freight from port to store as efficiently as possible, little is more important to our economy than the completion of a 6-year transportation bill.

ACT would also like to commend the committee for the goals it has laid out in advance of a transportation bill. Our association shares many of these goals. Specifically, we are glad to see the committee recognizes that we must get the most out of our system by doing more with less and that we need to leverage funding from as many sources as possible. ACT is fully supportive of a robust and sustainable transportation bill. However, no matter how large the next transportation bill is, we must do a better job of managing our current network and leveraging our assets. These points form the basis of ACT's reauthorization proposal.

Brian Shaw  
Philadelphia PA  
*President*

Chris Simmons  
Troy MI  
*Vice President*

Lynn Manion  
Pittsburgh PA  
*Secretary*

John Ciaffone  
Cedar Knolls NJ  
*Treasurer*

Jon Martz  
Troy MI  
*Past President*

Caryn Souza  
Washington DC  
*Executive Director*

## **ACT's AUTHORIZATION PRINCIPLES**

The freedom of mobility is a cornerstone upon which this nation was built. America's waterways, railroads, highways, and transit systems have allowed its citizens to travel freely for centuries. Our economy has depended upon the ability of getting product to market quickly and efficiently. Some fifty years after the construction of the interstate highway system began these freedoms are being challenged by congestion. This is a dilemma that is no longer exclusive to large metropolitan cities. Congestion impacts almost every aspect of our lives from the cost of getting to and from work, to the amount of time we spend with our children, to the air we breathe.

As Congress works toward the authorization of a new transportation policy, the Association for Commuter Transportation urges this Committee to craft a new guiding vision that not only works to expand the current transportation system, but works to get the most out of what has already been built. For the consideration of this committee, we offer these guiding principles:

1. Establish a new vision and policy paradigm that alters the way the Federal Government addresses the challenge of transportation and the way current stake holders utilize federal resources and challenges stakeholders to focus on the system rather than a project.
2. Engage and leverage different stakeholders such as employers and private sector providers of public transportation in way to encourage involvement.
3. Establish a performance based transportation system which rewards entities for achieving identified goals by providing additional flexibilities and expedited project delivery.
4. Acknowledge the differing needs of the urban, suburban, and rural constituencies while recognizing the national importance of eliminating congestion bottlenecks.
5. Encourage innovation through increased research and deployment.

## **CONGESTION**

For the purposes of this hearing, I'd like to focus on congestion and its impact on Americans and a handful of simple policy solutions ACT would like to recommend. As has been mentioned in this committee room many times before, congestion costs Americans billions of dollars each year in lost fuel, production, and time. A transportation bill will not be complete unless we deal with this fact. However all is not lost, according to Inrix, a leading provider of real time traffic information. *A 3% drop in vehicle miles traveled resulted in a 30% drop in peak period congestion in 2008 during the height of the recession.* While that is not the type of demand management we like to see, it does provide a model for moving forward. By shifting a small number of commuters away from a solo commute during peak periods, there was proven reduction of congestion.

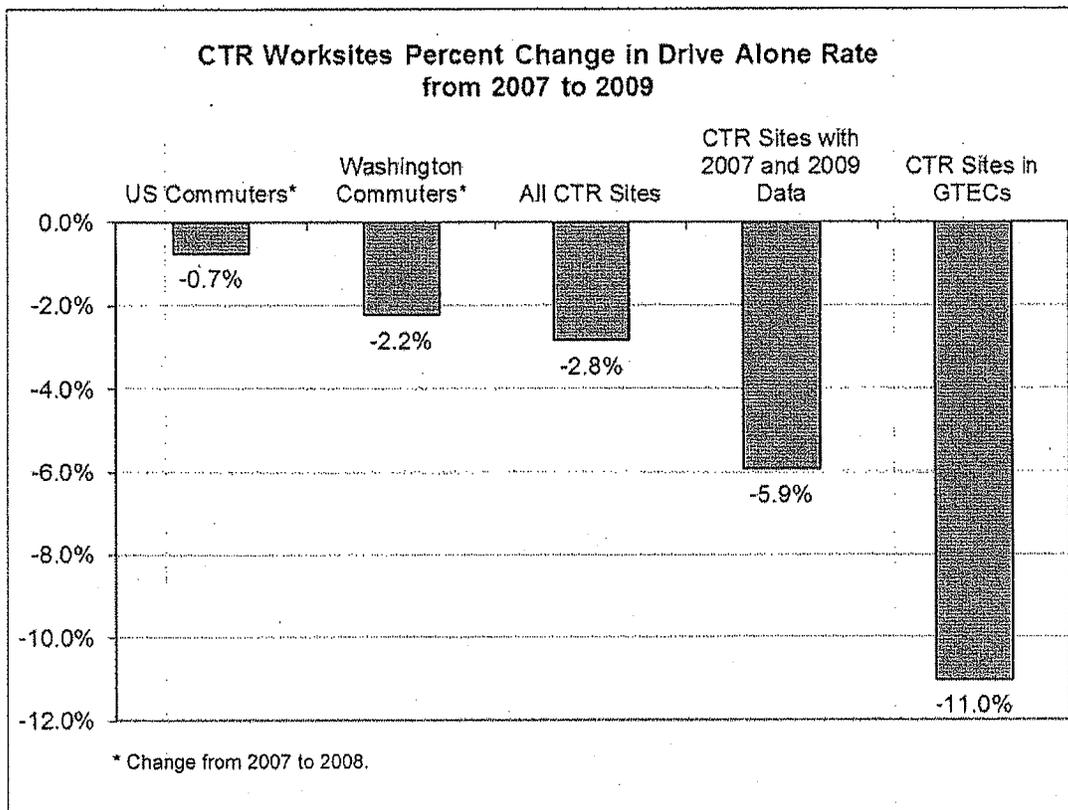
## **PRIVATE SECTOR INVESTMENT IN COMMUTING**

Consider this point, a survey conducted by Business Week in 2007 found that when commuters were provided with employer-based transportation options such as

vanpooling, transit benefits, alternative work hours, and telework, one in five workers took advantage of an option other than a solo commute during rush hour.

Washington State has a statewide Commute Trip Reduction (CTR) Program that puts the onus on local transportation agencies to work with regional employers to create, manage, and market transportation options. Employers in the region have minimal requirements placed on them such as posting information and their participation is broadly voluntary. The results of the program have been phenomenal. The program is responsible for taking 28,000 vehicles off the roads each day during peak commuting hours. This has led to a reduction of 12,900 hours of delay in the Central Puget Sound Region in 2009, saving \$99 million for the region in congestion costs due to lost time and wasted fuel.

The Washington State CTR program has also leveraged private investment in transportation as employers voluntarily invested roughly \$49.4 million dollars in CTR, more than \$18 for each dollar invested by the state. Additionally, for the current biennial budget the state investment in CTR which was just a remarkably low \$6.3 million and has provided a congestion reduction benefit in Central Puget Sound worth \$35 for every \$1 invested.



In Pittsburgh, the Airport Corridor Transportation Association (ACTA) manages and operates a "last mile shuttle service". Over 100 employment sites are served and ridership has grown over 200% in the past 18 months. ACTA expects to provide 75,000 rides to reverse commuters (city to suburbs) in 2011. ACTA used JARC funds to leverage their investment and have saved the local transit agency from having to maintain and operate an extended transit line for last mile service. This organization also worked with Penn DOT and IKEA to look at retrofitting typical suburban retail areas built for auto travel to be more accommodating to all travel modes. IKEA donated \$170,000 which was leveraged to match \$700,000 which will be for the infrastructure improvements.

We also find this type of investment occurring at more specialized facilities like universities. The University of South Florida, with additional funding and in-kind support from the following: Florida Department of Transportation, USDOT, City of Tampa, Hillsborough County, University Mall, and other private companies, offers a full range of travel choices to faculty, staff, students as well as the community nearby. USF promotes a full menu of alternative transportation options, including car-sharing services, free regional transit service for students as part of the UPASS program, the Bull Runner Shuttle.

#### **COMMUTE LESS (HR 260)**

The Washington State Commute Trip Reduction program, the projects highlighted here, as well as similar programs are highly effective, low cost programs aimed at reducing congestion through public-private partnerships. Specifically we believe the Washington State Commute Trip Reduction program should serve as a model for federal policy. As such, we support legislation introduced by Congressman Sires (D-NJ) called 'Commute Less' (HR 260). This legislation would amend the planning process by requiring MPOs to work more closely with employers and would establish regional commute trip reduction plans modeled after the Washington State program. Additionally, it would amend the new starts planning process to require project sponsors to actively engage employers along the effected corridors. Finally, it would require FHWA project sponsors who plan on closing lanes and disrupting traffic for significant periods of time to develop a corridor trip reduction program by leveraging employer based commuter relief projects. The legislation would accomplish this without adding any mandates to employers.

Our goal is to encourage partnerships between local planners and employers in order to use federal dollars in a more efficient way and to help leverage private sector investment. There are many ways this can be accomplished. We hope the committee shares ACT's goal and we stand willing to work with you.

#### **TAX PROVISIONS**

It should also be noted that there are other ways to leverage private sector investment via strategic use of the tax code, and while this committee does not have jurisdiction over that title, I did want to mention three pieces of legislation that would use the tax code to leverage additional private sector investment.

- **'Telework Tax Incentive ACT' (HR 710)** – This is legislation introduced by Congressman Whitman (R-VA) which will provide a tax credit for eligible telework expenses in order to expand telework opportunities.
- **'Transit Benefit Equity Act'** – This is legislation which is being introduced by Congressman McGovern (D-MA) which will permanently establish parity between the parking and transit portions of the fringe benefit. The transit benefit has been a great tool to incentivize employer involvement and transit ridership.
- **'Commuter Relief Act'** – This is legislation which is being introduced by Congressman Blumenauer (D-OR) which includes a number of incentives to encourage private sector investment in transportation alternatives.

### **Private Investment in Public Transportation (HR 596)**

Finally, I would be remiss if I did not mention legislation introduced by Congressman Rogers (R-MI), Young (R-AK), and Carnahan (D-MO) (HR 596) which would amend a provision in Title 49 making it easier for public agencies to partner with private providers of public transportation. Demand for vanpooling has significantly increased over the past several years. When gas prices hit \$4.00/gallon just two years ago, our vanpool business grew by 37%, while in comparison more traditional public transit grew by 4%, still a significant number. Since that time we have maintained the growth. However, we could have grown more. Private sector providers of vanpooling like ourselves and Enterprise stand ready to bear more of the capital investment burden. Currently, VPSI has over \$150,000,000 in rolling stock in service. We are willing to contribute more.

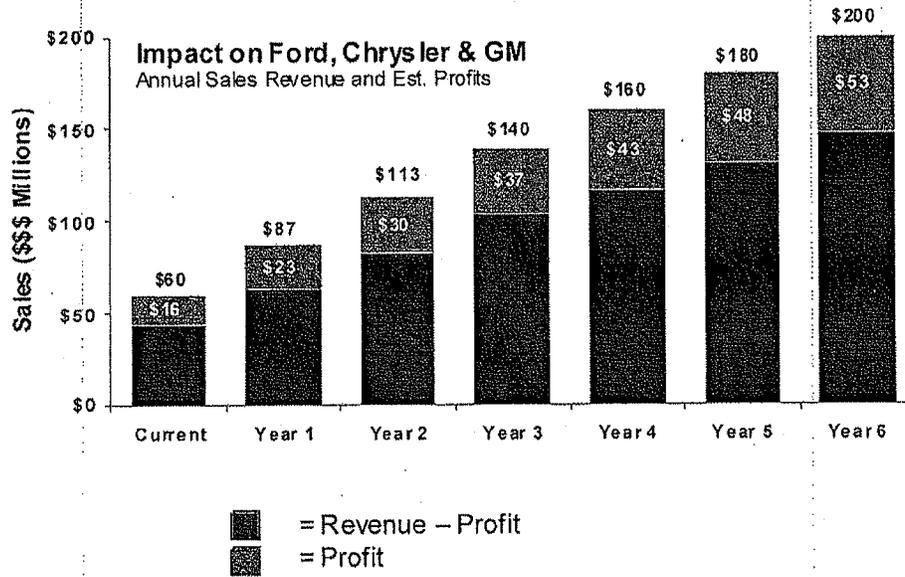
As gas prices continue to rise, we are again seeing a significant increase in demand for vanpooling services. Especially in those areas with limited access to traditional transit or for those who have extraordinarily long commutes. Just yesterday I was reading an article in the Tennessean about the TMA Group's vanpool program which includes over 75 vans and has demand for many more. This demand could be met by using federal transit funds to leverage private sector investment in public transportation. Vanpooling is not a panacea, but it does serve a distinct market niche and, accordingly, it is the most efficient mode of public transportation. Vanpool miles generate nearly the same amount of revenue through the apportionment formula as they expend for capital, thus public agencies do not have to choose between vanpooling and traditional bus or rail services. HR 596 would allow public agencies to choose to meet vanpool demand by simply allowing the private provider of public transportation to use passenger fare revenue in excess of operating costs to recoup the local share (20%) of the private provider's capital investment.

It should also be noted that vanpooling is an 'All-American' mode of public transportation; the vehicles used in the service are only produced by American Automakers. We estimate that passage of this provision would generate more than 1,000 new manufacturing jobs.

### **In Summation**

ACT recognizes that the policies we mention here are not a silver bullet and that for many Americans driving alone is the most sensible option. However, we believe that these are positive steps that will help provide more options, leverage public-private partnerships, and help improve our transportation system in a responsible and sensible manner. Thank you for this opportunity and we stand ready to answer any questions.

# HR 596: Projected Impact on U.S. Automakers



**COMMITTEE ON TRANSPORTATION AND INFRASTRUCTURE**  
*Truth in Testimony Disclosure*

Pursuant to clause 2(g)(5) of House Rule XI, in the case of a witness appearing in a nongovernmental capacity, a written statement of proposed testimony shall include: (1) a curriculum vitae; and (2) a disclosure of the amount and source (by agency and program) of each Federal grant (or subgrant thereof) or contract (or subcontract thereof) received during the current fiscal year or either of the two previous fiscal years by the witness or by an entity represented by the witness. Such statements, with appropriate redaction to protect the privacy of the witness, shall be made publicly available in electronic form not later than one day after the witness appears.

**(1) Name:**

*Sen W. Martz*

**(2) Other than yourself, name of entity you are representing:**

*Association for Commuter Transportation*

**(3) Are you testifying on behalf of an entity other than a Government (federal, state, local) entity?**

**YES**

If yes, please provide the information requested below and attach your curriculum vitae.

**NO**

**(4) Please list the amount and source (by agency and program) of each Federal grant (or subgrant thereof) or contract (or subcontract thereof) received during the current fiscal year or either of the two previous fiscal years by you or by the entity you are representing:**

*See attached*

Signature

*W. Martz*

Date

*3-25-11*

<b>Contract Location</b>	<b>Contract Agency</b>	<b>Annual Contract Revenue</b>
Anchorage	Municipality of Anchorage	\$180,000
Atlanta	Georgia Regional Transit Authority	\$588,000
Atlanta	Cherokee County	\$102,000
Albany, NY	New York State Energy Research and Development Authority	\$81,600
Birmingham, AL	Regional Planning Commission	\$300,000
Brunswick, GA	Coastal Regional Commission of Georgia	\$90,000
Cincinnati	Ohio-Kentucky-Indiana Regional COG	\$54,000
Columbus	Mid-Ohio Regional Planning Commission	\$6,000
El Paso, TX	County of El Paso	\$216,000
Dayton, OH	Miami Valley Regional Planning Commission	\$60,000
Denver, CO	Denver Regional Council of Governments	\$348,000
Dallas/Fort Worth	Fort Worth Transportation Authority	\$2,184,000
Fairbanks, AK	Fairbanks North Star Borough	\$35,864
Gulfport, MS	Coast Transit Authority	\$300,000
Hawaii	Hawaii Department of Transportation	\$3,180,000
Houston	2Plus/Metropolitan Transportation Authority	\$288,000
Ithaca, NY	Tompkins Consolidated Area Transit, Inc.	\$8,400
Corpus Christi, TX	Corpus Christi RTA	\$26,760
Los Angeles	Los Angeles County Metropolitan Transportation Authority	\$2,472,000
Miami	Miami Dade County MPO	\$1,308,000
Michigan	Michigan Department of Transportation	\$1,920,000
Minnesota	Metropolitan Council	\$528,000
Minnesota	City of Shakopee	\$70,000
New Jersey - VPSI	New Jersey Transit	\$372,000
Orlando	Central Florida Regional Transportation Authority	\$60,000
Orlando	Florida Department of Transportation (Rural)	\$90,000
Orange, CA	Orange County Transportation Authority	\$840,000
Portland, Salem & Eugene, OR	Portland METRO/Salem Area Mass Transit District/Lane Transit District	\$132,000
Phoenix	Regional Public Transportation Authority	\$492,000
Pittsburgh	Southwestern Pennsylvania Corporation	\$366,000
Reno, NV	Regional Transportation Commission of Washoe County	\$132,000
Richmond	Greater Richmond Transit District	\$276,000
San Diego	San Diego Council of Governments	\$1,680,000
Tampa	Tampa Bay Area Regional Transportation Authority	\$90,000
Tucson	Pima Association of Governments	\$39,600
Vermont	State of Vermont, Agency of Transportation	\$36,000

**Total**

**\$18,952,024**

Curriculum Vitae

Jon William Martz

Professional Experience

- VPSI Inc.** **Troy, Michigan**  
Jan 01 to Current
  - Vice President, Government Relations**  
VPSI Inc., the largest provider of commuter vanpool services in the United States. VPSI and its fleet of more than 5,200 vehicles serve commuters in more than fifty of the one hundred largest cities in the U.S. He is responsible for managing relationships with federal, state and local government organizations, as well as trade and industry groups.  
Jon spends much of his time on Capitol Hill advocating the company's transportation policy agenda and Transportation Demand Management (TDM) enabling legislation. His leadership in the TDM arena was recognized by most recently in August 2010, when he was presented a lifetime achievement award by the Association for Commuter Transportation (ACT) - the "Bob Owens TDM Champion Award" - in recognition of his efforts to "...champion advances for Transportation Demand Management (TDM)..." and to "... significantly influence positive local, regional, and/or national change..." in the commuter transportation arena.
  - Vice President, Marketing** **Jan 88 to Dec 00**  
Served as leader of corporate marketing and business development efforts; During this period, VPSI grew by an average of 15% annually and more than doubled the size of the company's service fleet. His efforts to develop partnerships with public agencies resulted in long-term contracts with public transit authorities in Atlanta, Austin, Corpus Christi, Dallas, Fort Worth, Houston, Melbourne, Orlando, Phoenix, Portland, Richmond and Tampa; with MPOs in Birmingham, Denver, Miami, New Orleans, Pittsburgh and San Diego; and with state DOTs in Hawaii, Michigan and Ohio.

- Joint Center (FTA-FHWA-TXDOT) for Urban Mobility Research at Rice University**  
**Director of Research** **Jul 85 to Dec 87**  
Work focused on the development of public/private initiatives, innovative transit and highway financing, competitive transit service procurement and activity-based cost analysis for transit agencies. His work with the policy staff of the FTA resulted in the development of the Capital Cost of Contracting and Capital Leasing policies. Traveling instructor for the Federal Transit Administration's "Fully-Allocated Cost Analysis" course.

- VPSI Inc.** **Houston, Texas**
  - Regional Manager** **Jan 84 to Jun 85**
  - Project Manager** **May 81 to Dec 83**

- Miami Valley Regional Planning Commission** **Dayton, Ohio**
  - Transportation Planner** **Jun 79 to Apr 81**

Education

- Bachelor of Science in Civil Engineering** **Dec 1978**
  - University of Cincinnati, Cincinnati Ohio**

Professional Associations

- Association for Commuter Transportation (ACT)**
  - President** **Jan 05 to Dec 08**
  - Immediate Past President** **Jan 05 to Current**
  - Board of Directors (Region 6: MI)** **Jan 03 to Dec 04**
  - Board of Directors (Region 5: TX)** **Jan 85 to Dec 86**
  - Chair, Public Policy Council** **Jan 09 to Current**
  - Chair, Vanpool Council** **Jan 03 to Dec 04**

**American Public Transportation Association (APTA) – Affiliate Member.**

**American Society of Civil Engineers (ASCE) – Associate Member**

- Transportation and Development Institute – Member**

**Community Transportation Association of American (CTAA) – Member**

**Institute of Transportation Engineers (ITE) – Fellow**

- Transit Council – Member**

**Transportation Research Board (TRB)**

- Committee on Transportation Demand Management – Jan 05 to Dec 08**

Professional Recognition

- "Bob Owens TDM Champion Award"** **Aug 09**
  - Association for Commuter Transportation**
- "Blue Ribbon Panel of Transportation Experts"** **CY07**
  - National Surface Transportation Policy and Revenue Study Commission**