



CONGRESSMAN EARL BLUMENAUER

H.R. _____ - Transportation and Housing Options for Gas Price Relief Act of 2008

THE PROBLEM:

The rapid rise in the price of oil is threatening American families, our economy, and our national security. Gas prices have more than tripled since 2001, taking an ever-larger bite out of the family budget. On average, transportation costs are now Americans' second largest expense after housing. Most economists as well as most American citizens believe that this is a long term trend, rather than a temporary situation. We've seen the last of the cheap oil on which we've built our economy and our daily lives.

THE SOLUTION:

Unfortunately, the problem won't be solved by increasing our domestic supply. We have less than 3% of the world's oil reserves; we will never be able to produce what we need domestically. Our best bet is to use what we have wisely and turn our attention to finding alternatives to driving where possible.

At \$4.00 a gallon gasoline, most Americans are already changing their daily behaviors to decrease fuel costs: taking fewer trips, keeping their cars tuned, even trading in their gas guzzlers for more fuel-efficient models. More needs to be done to ensure that consumers have transportation and housing options that reduce their reliance on single-occupancy vehicle trips. These transportation options can include public transit, carpooling, biking, walking, and other alternatives. For example, at \$4 a gallon gasoline, American families can save \$5.6 billion each year on gasoline costs by using transit. Bicycle commuters annually save an average of \$1,825 in auto-related costs, conserve 145 gallons of gasoline, and avoid 50 hours of gridlock traffic. Congress should be a better partner by supporting community efforts to provide these alternatives.

THE BLUMENAUER LEGISLATION:

The "Transportation and Housing Options for Gas Price Relief Act" will provide consumers with, and educate them about, choices in how they get around and where they live that will reduce their dependence on gasoline. The legislation will:

- Reduce commuting costs by providing incentives to employers and employees to take transit, bicycle, carpool, walk, or telecommute to work,
- Help local governments create walkable, bikeable communities well-served by transit by providing funding to local governments to support transportation demand management programs and for transit agencies to make needed investments,
- Help Americans make smart transportation and housing choices by educating them about their options,
- Make it easier and safer for kids to walk and bike to school by expanding the successful "Safe Routes to Schools" program,
- Require the availability of "Location Efficient Mortgages," which make owning a home near transit more affordable for all Americans, and
- Make sure the Federal Government leads by example by upgrading key websites for easier access to services without having to leave home/work and encouraging federal agencies and offices to participate in local Transportation Management Agencies, which provide transportation options.



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SECTION – BY –

SECTION SUMMARY

- Section 1 **Short title.** Provides that the act may be cited as the “Transportation and Housing Options for Gas Price Relief Act of 2008.”
- Section 2 **Findings.** Highlights the impact that increasing gas prices are having on consumers and outlines the opportunities associated with alternative forms of transportation. Finds that Americans can save money, lessen oil consumption, and decrease greenhouse gas emissions by switching to transit, bicycle riding, walking, or carpooling.
- Section 3 **Community Transportation Choices Investment Program.** Creates a grant program to support community investments in transportation alternatives and travel demand management strategies, including carpool or telecommuting projects, upgrades to streets to facilitate bicycle and pedestrian use, intelligent transportation improvements to reduce congestion, and participation in car-sharing and bike sharing programs.
- Section 4 **Public Transportation Improvement Block Grants.** Establishes a grant program to support investments in public transit, including technology upgrades, fare subsidies, technical assistance, service improvements, and fuel purchases. This will help transit agencies keep up with both increasing fuel prices and increasing demand.
- Section 5 **Improving Community Transit Grant Program.** Improves the “Small Starts” transit grant process by emphasizing the land use, density, and greenhouse gas benefits of building such projects, as well as the economic benefits to the entire transportation corridor served by the resulting transit line. The changes will expedite these projects, some of which have been ready to go for years.
- Section 6 **National Consumer Awareness Program.** Establishes a grant program to facilitate consumer awareness programs on the benefits of alternative transportation, such as Portland Metro’s “Drive Less, Save More” program. Grants would support car- and vanpooling programs, websites where consumers can obtain this information, and background materials for employers to assist their employees with these programs.
- Section 7 **Teleworking Tax Credit.** Creates a tax credit for qualified teleworking expenses for employers and employees. Four to six million workers currently telecommute at least once a week, saving an estimated 840 million gallons of fuel.
- Section 8 **Transportation Fringe Benefit for Bicycle Commuters.** Extends the Transportation Fringe Benefit to bike commuters. Under this provision, bike commuters will enjoy tax free transportation benefits currently enjoyed by car and public transportation commuters.
- Section 9 **Equalization of Parking and Transit Benefits.** Increases the transportation fringe benefit available for people who commute by public transportation to remove a perverse incentive to drive instead of take public transportation.
- Section 10 **Clarification of Federal Employee Benefits.** Ensures that transit fringe benefits are available to federal employees.
- Section 11 **Eligibility of Self-Employed Individuals for Transit Fringe Benefits.** Ensures that self-employed individuals are eligible for transit fringe benefits.
- Section 12 **Parking Cash-out Programs.** Requires employers who offer a parking transportation fringe benefit to employees to also offer employees the option to take cash instead, reducing the incentive to drive instead of take alternative transportation.
- Section 13 **Vanpool Credit.** Creates a tax credit for expenditures on vanpool vehicles and services, which will provide an incentive for employers and employees to share their commutes.
- Section 14 **Transportation Management Associations.** Encourages Federal agencies to participate in local transportation management associations that promote more efficient use of transportation and parking resources.

- Section 15 **Disclosure of Transit Accessibility and Transportation Costs of Housing.** Requires the Secretary of Housing and Urban Development to incorporate, to the maximum extent practicable, transportation costs associated with the location of housing into its affordability measures and standards. Also requires the Secretary of Transportation to develop a model transportation cost field that can be used by real estate agents to measure and disclose the transportation costs associated with the location of a home.
- Section 16 **Location Efficient Mortgage Goals.** Establishes annual goals for Fannie Mae and Freddie Mac to offer location-efficient mortgages. These mortgages credit applications for the savings generated by a transit-friendly location, increasing the income of the borrower by \$1 for each \$1 of transportation savings. This increases access to these location efficient areas for consumers.
- Section 17 **Location Efficient Mortgages Outreach.** Requires the Secretary of Housing and Urban Development to carry out an outreach campaign to educate lenders and mortgage providers about the benefits, advantages, and terms of location-efficient mortgages.
- Section 18 **Affordable Location Efficient Housing.** Establishes a grant program within the Department of Housing and Urban Development to assist states in constructing, preserving, or acquiring affordable housing that is close to transit, helping low-income consumers save transportation costs.
- Section 19 **Accessible and Efficient Schools.** Expands the successful Safe Routes to Schools program, which to make it safe, convenient and fun for children to bicycle and walk to school, to include high schools. More than doubles the authorized funding for this program.