



April 15th, 2011

To: Senator Ginny Burdick, Co-Chair
Representative Jules Bailey, Co-Chair
Representative Vicki Berger, Co-Chair
Members of the Joint Committee on
Tax Credits
Representative Cliff Bentz, Co-Chair
Representative Tobias Read, Co-Chair
Members of the House Transportation and
Economic Development Committee

Re: Business Energy Tax Credit transit program

Our organizations would like to express our strong support for maintaining the transit component of the Business Energy Tax Credit (BETC) program.

The BETC transit program provides numerous benefits to the state and its residents. The program reduces congestion, dependence on foreign oil, greenhouse gas emissions and the air and water pollution associated with vehicle use. Transit programs also provide an excellent option to single occupant vehicle driving, and in some cases are the only reasonable and affordable alternatives for many Oregonians.

The program benefits public school students in several cities, who receive transit passes as a result of partnerships between local transit systems and school districts made possible by the BETC. These partnerships help reduce traffic near schools, enable more students to participate in before- and after-school activities and decrease absenteeism amongst students with transportation barriers.

The BETC has also helped transit systems deliver services to underserved areas, such as the Rogue Valley, rural parts of Columbia, Hood River, Marion, Polk, Tillamook and Yamhill counties and the cities of Ashland, Canby, Corvallis and Sandy. In Sandy, BETC support has helped increase ridership from just over 150,000 trips annually to over 250,000 trips, representing 2.3 million reduced vehicle miles for the current year alone. Annual ridership surveys in Corvallis, which is projected to provide 850,000 rides this year, indicate that 25 percent of rides are provided to low-income residents on work-related trips, while 10 percent are provided to those with disabilities, 5 percent to seniors and 16 percent to youth. Chemeketa Area

Regional Transportation Service (CARTS), which offers transit service between communities in rural Marion and Polk counties and the city of Salem, provided 119,000 trips last year. More than half of the rides were to take people to work or school, and nearly half of the riders reported that they would not have made the trip had it not been for CARTS. The BETC also enables these transit districts to leverage additional federal dollars.

While we recognize the difficult financial situation facing Oregon and appreciate the challenges the legislature faces as it scrutinizes tax credits and works to formulate a budget during a time when funding is scarce, we believe that the loss of the BETC transit program would result in significant negative consequences for many Oregonians.

We strongly encourage this committee to continue to incentivize transit programs through a tax credit program in the next biennium.

Sincerely,



Mike McCauley
Executive Director, League of Oregon Cities



Mark Pangborn
President, Oregon Transit Association



Mike McArthur
Executive Director, Association of Oregon Counties