

March 12, 2013

House Revenue Committee Oregon State House of Representatives 900 Court Street Salem, OR 97301

Chair Barnhart and Members of the Committee:

I am writing regarding House Bill 2275, a bill to increase Oregon's cigarette tax rate and alter the revenue disbursements. TriMet strongly supports a cigarette tax increase that increases current funding for the Elderly and Disabled Special Transportation Fund, which provides assistance to local transit providers who give demand-response rides to seniors and people with disabilities.

For many low-income elderly and disabled Oregonians, the difference between living in a care home and maintaining independence is mobility. TriMet's elderly and disabled paratransit service, LIFT, is a low-cost bridge to independence for thousands of Metro area residents who rely on the service to get to work, doctors appointments and the social. For these riders, paratransit is the only option because they are either unable to drive, their disability prevents them from using public transportation, they cannot afford taxi fare or existing transit options do not take them where they need to go.

Each year, TriMet provides over 1 million paratransit rides at more than \$30 per ride. With the rapidly aging population (150% projected elderly population growth over the next 25 years), demand for paratransit services will continue to increase. TriMet and other providers have already undertaken many cost-efficiency measures to stabilize costs and verify eligibility to ensure the greatest benefit for our investment. Despite these efforts, growing demand and skyrocketing costs will force paratransit providers to increase fees for service and potentially reduce service.

House Bill 2275 as drafted raises the cigarette tax but leaves the allocation of revenues to be determined later. If the allocation levels are increased for the Elderly and Disabled Special Transportation Fund it could inject some much needed support to help seniors and disabled people maintain their independence.

Thank you for the opportunity to submit testimony on this important topic.

Sincerely,

Aaron C. Deas

Office of Government Affairs

TriMet