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April 20, 2015

Senator Dembrow, Chair Committee Members Senate Committee on Workforce State Capitol 900 Court St. NE Salem Oregon 97301

Re: SB 814

Dear Chair Dembrow and Committee Members:

1000 Friends of Oregon is a 40-year old, non-profit, statewide organization. We advocate for livable urban and rural communities, protecting family farms and forests, and conserving natural areas, largely through the implementation and improvement of Oregon's land use planning program.

1000 Friends opposes SB 814 because it pre-empts the ability of local governments to require that private employers offer certain employee benefits, including transportation benefits. This would potentially deprive many employees of the ability to take advantage of a popular federal program that allows employees to set aside up to \$130 in pre-tax dollars for transit commuting.¹

This program saves both employees and employers money. An employee who puts aside \$130/month in pretax salary can saves hundreds of dollars a year. It also saves the employer money, because they do not pay payroll tax on the set-aside funds.

The ability to take advantage of affordable transit is critical to the economics of working class households. The average cost of owning and operating a car in the United States is almost \$9000/year. And middle-class Americans pay a disproportionate share of their household income on gas, maintenance, and insurance.² If a household does not need to own a car, or a second car, because of the availability of affordable transit, that household has much more disposable income for food, health care, education, housing, etc....

Increasing the accessibility of transit also helps to reduce greenhouse gas emissions from the transportation sector, and reduces wear and tear on our state's roads.

The federal program is easy to administer for any size business or organization; our small organization and many others offer it. We urge the Committee to not pass SB 814. Thank you for consideration of our comments.

¹ The program covers traditional transit, but can also cover employer-provided transportation. ² *How Car Reliance Squeezes the Middle Class*, <u>The Atlantic City Lab</u>, April 16, 2015,

http://www.citylab.com/commute/2015/04/how-car-reliance-squeezes-the-middle-class/390678/, relying on data from the US Bureau of Labor Statistics.

Sincerely,

Mary Kyle McCurdy

Mary Kyle McCurdy Policy Director and Staff Attorney