Submitter: R A Fontes

On Behalf Of:

Committee: Joint Committee On Transportation Reinvestment

Measure, Appointment or Topic: HB2025

We can do better for transit users and taxpayers.

A scattergun 200% tax increase for zombie transit isn't going to help riders in the long run. Zombie transit involves two things: 1. Costs are going up faster than inflation while ridership is stagnant or declining. 2. Technological change is likely to provide better service to riders at lower costs than existing transit.

We could use a smaller increase, targeted at smaller - mostly rural - systems where specific projects could be expected to make a positive difference over the long term.

Transit systems are having a real problem accepting and adjusting to technological change. Working from home, e-bikes, internet based carpool participation, and car-hire apps are all eating into transit. Autonomous vehicle car-hire services are just getting started and have the very real potential to replace traditional transit for most riders. Since operator expenses are proportionately much higher for buses than for rail services, we can expect that automating transit services will make buses much less expensive to operate than light rail and streetcar. Transit ridership peaked nationally in 2014 and recovery from the pandemic is generally slowing down.

Specific suggestions:
1. Limit the increase to 100% over the next two years.
2. Restrict access to formula money from the increase to agencies which don't have access to the 0.8% employer payroll tax under ORS 267.385 (1). In other words:TriMet, Lane Transit, and tentatively Salem would keep formula money from the existing 0.1% STIF tax but not additional taxes. They could access competitive grants without restriction.
3. Change the language of ORS 184.751 (1) from ..."except that the moneys may not be used for light rail capital expenses but may be used for light rail operation expenses." to ..."except that moneys may not be used for light rail or streetcar."
4. Add new section ORS 184.758 (1) (c) "Alternatives to traditional transit including but not limited to promoting carpooling and contracting with car-hire providers when such entities could potentially provide higher quality service to riders at a lower cost than traditional transit.
5. Add new section ORS 184.751 (3) "The State of Oregon will cease levying all taxes collected under this section at midnight December 31, 2029 and will terminate the program once all proceeds are distributed to eligible agencies." This would give communities time to find replacement revenue if they want to continue transit services.

Thank you