

Testimony for House Bill 3316 – May 8th, 2013

Chair Garrett and members of the committee, my name is Neil McFarlane and I am the General Manager of TriMet.

Thank you for the opportunity to testify on **House Bill 3316**. I am here in opposition to this bill.

But before I get into the specifics of our opposition, I would like give you a **quick 30,000 ft overview** of what TriMet has gone through over **the last 4 years**, the **difficult choices** that were made, and a quick **look at the future**.

I believe the difficult times we have been facing are at the heart of why you are hearing this bill today.

I recognize the past 4 years have been difficult for TriMet

- Service cuts
- Fare increases
- Layoffs
- Labor difficulties
- Difficulty responding to growing needs – communities are desperate for more service, but TriMet is unable to provide more until we get our health care costs in line.

I also recognize that some of our partners and riders are not happy with TriMet's choices

- TriMet has a diverse constituency – 570 square mile service area, 25 cities, three counties, urban, suburban, and rural, rich and poor.
- Our riders come from all walks of life: commuters, seniors, college and high school students, people with disabilities.
- Over 50% of TriMet’s operating funding comes from an employer-paid payroll tax

The challenge is finding the balance: Do we provide service based on who pays? Who rides?

Who needs a ride?

It's a complex and ever changing challenge, particularly in the era of limited resources.

This is why when I became General Manager almost 3 years ago I implemented a re-look at how TriMet provides service system wide

- A multi-year effort to plan for new and improved service in the region
- Focused on 5 sub-areas: Westside, Eastside, Southwest, Southeast, & North/Central Portland
- Westside plan is in the final stages of completion
- And **Representative Gorsek will be pleased to know that Eastside is next on the list!**
- The **Eastside plan** will:
 - Focus on **access to jobs and educational opportunities**
 - **Build on recent initiatives** among regional partners – East Portland Action Plan, East Metro Connections Plan, East Portland in Motion Plan, and the coming work

led by Metro to assess options for high-capacity service in the Powell-Division corridor, such as BRT

The goal of these re-looks is to **help TriMet plan for the future AND connect to the communities we serve.**

We want to understand what their needs are and how TriMet can best help.

In the meantime, we are working to **improve access to transit** with the help of our partner jurisdictions to build **sidewalks** and **safe crossings**.

And while clearly TriMet has struggled through this recession, we are not alone

Pittsburgh:

- Similar size to Portland
- Provides only 65million rides per year, vs. 102 million in Portland
- **In 2010 they cut 45 routes - 35% of service**
- Fares increased to \$2.50 - \$3.75 with a \$0.75 light rail surcharge during peak hours.

Atlanta:

- During Great Recession (09-11), MARTA cut 700 positions
- **30% bus service and 14% rail service.**
- And their union accepted a contract with no pay increases despite being lowest-paid transit employees in country.

King County:

- In 2011, to close King County Metro's budget gap, the King County Council approved a temporary (2 year) \$20 fee on vehicle registration renewals.
- **This year, King County Metro faces a \$75m budget gap which would require a 17% service cut and a \$.25 increase in fares.**
- Off-peak fares are \$2.25 and peak runs between \$2.50 and \$3.00.

As you can see, **TriMet is not alone in its struggle to face the great recession.** And in many ways we have fared better than many of our peers.

That said, these have been difficult times and we are doing our best to serve our customers and get our fiscal house in order.

And our board is suited to the task. Our board members are dedicated and skilled volunteers who provide immense value to TriMet and our community.

I have serious concerns about House Bill 3316 and the impact of changing TriMet's board. A few key points for your consideration:

1. Like the Legislature, **TriMet's board districts are apportioned based on population.** HB 3316 would move away from proportional representation and towards local political appointments that are not representative of population, but of political boundaries.

2. Appointed boards (like TriMet and the Port of Portland) assure that agencies have representatives from a variety of relevant professions, with diverse experience and background. Appointed boards also **assure that no single interest dominates** membership, **assuring diversity** and **broad representation**.

3. **The business community has long supported TriMet** with its payment of the payroll tax in part because of TriMet's appointed board. Over the years key business leaders have served on the TriMet board.

4. And finally, **TriMet's recent service cuts and fare increases are not due to board structure**, but the impacts of the recession and health care costs that are not sustainable and difficult for the board to control. Changing how the board is appointed will do nothing to solve these problems.

I believe we are making progress and are positioning ourselves well for the future. **But there is much work to be done.**

Thank you for the opportunity to come before you today and now I would like to turn it over to TriMet's Board President Bruce Warner.