

**Testimony by SMART Transit Director Stephan Lashbrook
in Support of HB 2236:**

**Providing More Equitable Treatment of
Public Transit Agencies Operated by Cities**

For Public Hearing Scheduled on Feb. 25, 2015,
House Committee On Transportation and Economic Development

To Chair McKeown, Vice-Chairs Davis and Gorsek, and Members of the Committee:

South Metro Area Regional Transit (SMART) supports HB 2236, which corrects what we consider to be an oversight in current State law. It is needed to provide more equitable treatment of public transit agencies operated by cities. In the case of SMART, we are a department of the City of Wilsonville, founded 26 years ago to provide responsive transit service to residents and commuting workers of Wilsonville employers.

The leadership of the City appreciates the sponsorship of this legislation by Rep. John Davis on behalf of SMART and the several other cities located across the state that operate municipal transit services. However, as far as I know, only the cities of Sandy, Canby and Wilsonville currently collect payroll taxes from private employers, and they would therefore become the first cities that may benefit from the enactment of this bill.

Currently, ORS 291.405 and 291.407 provide for the Oregon Department of Administrative Services to collect an amount equal to 0.6% (six-tenths of one percent) of payroll for state agencies that operate within the boundary of a mass-transit district or other transportation district and to distribute those funds back to the districts in order to provide support for public transit services for state employees. The statute does not currently include transit agencies operated by cities; only those transit agencies organized as districts. The proposed legislation would result in municipal transit agencies being treated in a manner that more closely approximates the treatment of public transit agencies organized as districts.

As crafted, HB 2236 is not intended to alter the rules applying to transit districts in any way.