

## **TriMet's eFare Card Fix (Senate Bill 1527)**

TriMet is implementing a new electronic fare collection system (eFare). The eFare system will allow riders to pay with a transit debit card as they board a bus or train. This system will come online in 2017.

## The Problem:

- Under current state law (ORS 98.336), after three years of inactivity the unused balance in an eFare account would be considered unearned revenue and would be subject to Oregon's unclaimed property law.
- This "unclaimed property" would be returned to the State of Oregon, which means TriMet would lose this revenue.
- Also under current law (ORS 646A.274) TriMet's eFare card could be considered a gift card, and thus unable to be archived.

## The Solution:

- SB 1527, modeled after similar laws in other States, would exclude transit fare card balances from the unclaimed property and gift card statutes.
- Instead of losing unused fare card balances to the State, TriMet would retain the revenue for public transportation, and infrequent riders would not be inconvenienced by having their eFare balances transferred to the State.

## Frequently Asked Questions:

Will TriMet's riders ever lose the value of their card?

 No. TriMet will always honor fares regardless of how old they are. We still honor bus tokens!

What will TriMet use this unclaimed revenue for?

• All fare revenue is used to provide service. This revenue will be no different.

Why an exemption from the gift card statutes (ORS 646A.274)?

- The prepaid transportation cards are not gift cards, and the value is not stored on the card; it is stored in an online account.
- Current statute stipulates that gift cards never expire, but for accounting purposes, TriMet's online prepaid transportation accounts must be archived at some point.

Will other transit agencies benefit from this change?

Yes, all transit agencies would be affected by this legislation. Both Lane
Transit District and Salem Keizer Transit are currently considering eFare
systems, and other smaller transit agencies may eventually implement various
components.

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