



Testimony of Aaron Deas
Manager, Office of Government Affairs, TriMet
House Committee on Consumer Protection and Government Effectiveness
February 18, 2016
Senate Bill 1527

Chair Fagan, members of the committee, I am Aaron Deas, Manager of Government Affairs for TriMet. Thank you for the opportunity to speak in support of Senate Bill 1527.

As you know, TriMet is implementing a new electronic fare system (eFare) that will go online in 2017. eFare is a payment system that will better serve our riders by allowing them to pay with a transit debit card as they board a bus or train. Instead of fumbling with cash or needing to purchase a pass at the grocery store or a ticket vending machine, customers simply tap a validator and board the vehicle.

The system has many benefits, including balance protection if someone loses their card, the ability to reload value online anytime, anywhere, and less waiting time because of the streamlined boarding process of tapping a card. This all results in more convenience and better service.

In the process of developing this new eFare system there are two problems that we have identified that SB 1527 seeks to resolve. First, under current state law, 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 sent to the State of Oregon's Department of State Lands, which means TriMet would lose this revenue and riders' cards would no longer be valid.

A second problem is that under current law, TriMet's eFare card could be considered a gift card and thus unused or abandoned accounts could not be archived. Given that we expect to have hundreds of thousands of these cards over time, the ability to archive old, unused accounts would be helpful.

Senate Bill 1527 resolves these two problems by exempting public transportation cards from the unclaimed property and gift card statutes. TriMet's eFare system is similar to systems in Seattle, Salt Lake City, and San Francisco, and our proposed solution is based on legislation enacted in those states.

It is also important to note transit agencies throughout the state, including Lane Transit District in Lane County, Salem Keizer Transit, and Cascades East Transit, which serves the cities of Bend, Redmond, Prineville, Madras, and other cities of Central Oregon, are interested in versions of eFare that would meet their particular needs. Knowing that making this transition would cause these transit agencies to lose critical fare revenue may discourage them from moving forward.

Again, thank you for the opportunity to bring this bill before you. I am happy to answer questions.