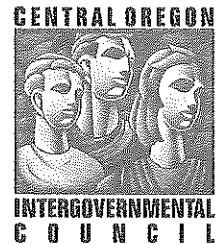


June 5, 2017

Senate Committee on Finance and Revenue
Senator Mark Hass, Chair
Senator Brian Boquist, Vice-Chair
900 Court Street NE, Room 354
Salem, Oregon 97301



*Everywhere
Central Oregon
Works*

RE: Support for HB 2745B

Chair Hass, Vice-Chair Boquist and Members of the Committee:

As a region, Central Oregon is both interdependent and diverse. Many Central Oregonians depend not only on their own communities for the things they need, but on neighboring communities – whether that is connection to jobs, to housing, for education, medical services, or other needs. Although many of us are able to drive both around town and from one community to another, others prefer not to, and many simply can't. As a result, many rely on regional bus service, which for the past 9 years has been capably provided by the Central Oregon Intergovernmental Council via Cascades East Transit.

Locally-elected governments support Cascades East Transit, and also support the development of new tools, that will at some point allow for the improvement of CET services within and between our communities. The question is how to do that in a manner that's effective, efficient, and most importantly, equitable.

We believe that the key to success is allowing each community to address its own needs, on its own timeframe, and in light of its own priorities. Whether La Pine residents want to fund bus services and Sisters residents don't, or Bend and Redmond residents want to fund services at different times or different rates, we believe that they should each enjoy the flexibility to set their own priorities.

At present, we have a flexible system, accountable to local community needs – what we lack are the funding tools. In particular, COIC lacks the ability to fund transit services via permanent or local option property tax levies. State law allows COIC to request voter support for funding capital needs bonds, but now for operations. State law does allow transit districts to pass levies, but at single region-wide rates and subject to numerous other state-level regulatory requirements. Central Oregon communities need the flexibility to have differing levels of service consistent with their willingness to pay.

Some communities may not want to support bus services via taxes. And those that do will want to set their own rates, terms, and timing. This is why we've developed a proposal for the 2017 Legislature that will allow COIC to work with each community to develop its own proposals (when they are ready, including never) and ensure that local voters have final say in determining whether funding is approved.

How would it work? COIC would work with local governments and community partners to determine what services are desired, the cost, and other important details as defined in the bill. A city council (or county commission where rural services outside of a city are considered) would then be asked to pass a resolution establishing the financial and geographic specifics of the proposed measure. Only after a resolution by the affected City, COIC could then ask local voters for support. And in all cases, voters would have the final say.

This proposal doesn't come at the expense of other funding options. We'll still be able to receive state and federal funds and to partner creatively with local community partners to develop local sources of funding. It would simply add a new and potentially powerful tool to our toolbox, one that would allow supportive communities to expand/improve local services to meet their needs while ensuring that those services are seamlessly integrated into a region-wide system.

Respectfully submitted,

Karen Friend
Executive Director