

February 7, 2018

Honorable Senator Lee Beyer & Members
Senate Committee on Business and Transportation

Subject: Salem Area Mass Transit District Supports SB 1536

Chair Beyer and members of the Committee:

My name is Bob Krebs, and I serve as President of the Salem Area Mass Transit District Board of Directors. Thank you for the opportunity to provide comments, on behalf of the Board, in support of SB 1536. We want to thank Senate President Courtney for his work on this bill, and other transit efforts over the years. He is a true transit champion and we appreciate his willingness to tackle the hard issues.

Salem Area Mass Transit District ("District") provides fixed route transit and paratransit services to the Salem-Keizer area; and commuter service to the rural communities in Marion and Polk counties. The District also co-operates the 1X Wilsonville/Salem Express, which is heavily used by commuters between the Portland-metro area and Oregon's capital city.

The District is the transit provider for seniors and people with disabilities in the area through our Cherriots Lift and Shop and Ride services. Without the District providing these vital opportunities to our most vulnerable populations, many would not have the ability to shop for food, attend a medical appointment or accomplish many of the necessities we take for granted. Our main goal in everything we do is to provide better transit services for our citizens.

SB 1536 makes significant changes to the governance structure of the Salem Area Mass Transit District's Board. It brings the capital city of Oregon in line with the transit governance model that is standard for comparable cities across the nation. In addition, SB 1536 provides for the same funding mechanism used by other Oregon urban cities to help pay for the services the community so desperately needs. The Board recognizes that SB 1536 includes a seven-year moratorium before any potential new funding system can be implemented by a vote of the Board.

The Board supports SB 1536 with the seven-year moratorium. The Board was able to arrive at this position because their number one goal is to ensure that the transit system in Salem-Keizer meets the needs of the community. This bill, as written, contains provisions that will result in some current board members losing their position. That is a compromise the board is willing to accept, solely due to the language in the bill that provides the new board with the same funding options provided to other mass transit districts in Oregon. As such, we believe that the two major provisions of the bill, the governance model change and the funding mechanism, are intrinsically linked.

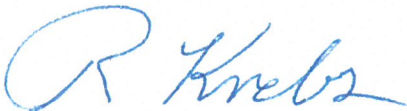
This bill does not institute an employer payroll tax. It provides the option for the Board to consider, if a future need arises. Any action to implement an employer payroll tax will require extensive outreach to the Salem-Keizer community, including the business community.

This bill would bring the District's board governance and finance structure in line with other urban centers across the state. Both Tri-Met and Lane Transit District have demonstrated success with this model. The new board would be able to make future decisions around funding after consultation with the community, and Salem/Keizer's varied businesses and riders.

The District's Board of Directors and staff are responsible financial stewards of the people's investment. This bill provides a compromise solution while charting a path forward where businesses, riders, advocates and the general public can come together to govern their transit district.

Thank you for considering this issue and we urge your support for SB 1536 with the described amendments.

Sincerely,



Robert Krebs
President, Board of Directors