



August 22, 2025

The Honorable Rob Wagner, Co-Chair  
The Honorable Julie Fahey, Co-Chair  
Joint Interim Committee on Transportation Funding  
Oregon State Legislature  
900 Court St NE  
Salem, OR 97301

Re: LC 2

Dear Co-Chair Wagner, Co-Chair Fahey, and Members of the Committee:

On behalf of Ride Connection, a private nonprofit organization that provides 1 million rides a year for seniors, people with disabilities and others, I am writing in support of the special session transportation funding proposal – especially the 0.1% increase to the Statewide Transportation Improvement Fund (STIF) payroll tax rate. **This increase will help us provide rides to the thousands of people a year who we must turn away due to a lack of funding.**

As you know, since the 2017 transportation package was passed, transit operating costs have skyrocketed, as much as 50% in the past five years due to inflationary pressures on labor, vehicles, facilities maintenance and equipment and insurance.

Meanwhile, transit is an increasingly vital service in our state. We see every day at Ride Connection how people with few options and little income rely on us to get to dialysis, food shopping and work.

Transit also plays a leading role in climate relief. Buses and trains replace the equivalent of millions of vehicle trips every year, reducing congestion and pollution, and making our communities cleaner and safer.

I understand concerns about the tax burden on Oregonians who are already struggling to make ends meet. Yet, it's clear to me that transit is a primary asset for low-income Oregonians. Owning a car costs an average of \$1,000 per month, and transit provides access to jobs, education, and services for people who can't afford a car or can't afford to have a two-car household. Under the 0.1% employee payroll tax increase proposed for the special session, someone making \$50,000 per year would pay an additional \$4.17 per month.

The 0.1% increase in the STIF tax rate will not solve all the financial issues facing transit agencies across Oregon. However, it will provide much-needed relief for transit agencies during this biennium. The proposed STIF increase is a step in the right direction, and it will give OTA members valuable time to plan their next steps forward. OTA is hopeful that lawmakers will build on this work to craft a sustainable, long-term solution that addresses



Oregon's transportation needs — including public transit — during the 2027 legislative session.

Transit in Oregon is at a crossroads. The price of inaction is to retreat from the progress we have achieved together, to strip thousands of Oregonians — many of them low-income, seniors and people with disabilities — of the transit service they need, and to set back economic revitalization, climate innovation and more.

Best regards,

A handwritten signature in black ink that reads "Andy Nelson". The signature is fluid and cursive, with the first letters of the first and last names being capitalized and prominent.

Andy Nelson, CEO