August 25, 2025

Senate President Rob Wagner and House Speaker Julie Fahey
Joint Interim Committee on Transportation Funding
Oregon State Legislature
900 Court St. NE
Salem, OR 97301

Re: Support of LC 2

Dear Co-Chairs Wagner and Fahey and Members of the Committee,

Thank you for assembling a transportation proposal that includes funding for public transit. We are in strong support of LC 2.

While the one-time increase in the employee payroll tax will not prevent TriMet from making all service cuts necessary to help balance our budget, it will reduce the severity and allow us time to find greater internal efficiencies and additional revenue sources.

Like many of our transit partners, TriMet's operating costs have increased more than 50 percent over the last five years. We are facing a $300 million dollar "structural" deficit gap that must be closed, to balance our budget. TriMet's first step to address the deficit will be to cut $93 million dollars in administrative expenses by streamlining our internal operations. That work is underway now.

After finding administrative efficiencies, TriMet will still need to cut service by roughly $159 million. If the 0.1% increase proposed for the special session is not passed, the amount needed in service cuts will grow to $207 million dollars.

Retaining $48 million in service will help reduce impacts on our riders —particularly the 35% of TriMet's riders who are transit-dependent. All this during a time when TriMet ridership continues to increase: overall, ridership has increased nearly 62% since the pandemic.

Passage of LC2 would be a meaningful step in the right direction, but it does not eliminate TriMet's need for additional transit funding in a future transportation package to avoid severe service cuts over the next three years.

Please support this proposal and continue working with transit partners to identify a sustainable transit funding plan to keep Oregonians moving. My thanks and respect for all of your hard work.

Sincerely,

Sam Desue, Jr.
General Manager
TriMet