

Failed Promises:

Why the Legislature Should Reject TriMet’s Request for New Spending Authority

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TriMet is currently seeking new spending authority in **SB 1510** to help finance regional “multi-modal” transportation projects. Legislators **should deny** this request based on previous experience with TriMet commitments.

To refresh the memory: during the 2003 session, TriMet sought approval to increase the payroll tax rate by one-tenth of a percent. According to TriMet’s then-General Manager,

“TriMet’s proposed payroll tax increase will be used exclusively to provide new or enhanced transit service. This will include assisting in the operation of Washington County Commuter Rail, Clackamas County light rail, Lake Oswego Streetcar, a substantial increase in Frequent Service routes, and enhanced local connections to these lines.”¹

The rate increase was approved, and was phased in over a 10-year period.

During the 2009 legislative session, TriMet sought an additional rate increase. The legislature again approved the request. The TriMet board approved the first of 10 planned rate increases last September, and the new rate of 0.7337% went into effect on January 1, 2016.

Let’s look at the results. After a decade of tax increases, it’s clear that **there is no correlation between increased TriMet revenue and actual levels of service:**

TriMet Financial Resource Trends for Operations, 2004-2015
(000s)

	2004	2006	2008	2010	2012	2014	2015	% change
Passenger fares	\$55,665	\$68,464	\$80,818	\$93,729	\$102,240	\$114,618	\$116,734	+110%
Tax revenue	\$155,705	\$192,450	\$215,133	\$208,933	\$248,384	\$275,357	\$292,077	+88%
Total operations	\$290,513	\$342,274	\$404,481	\$433,609	\$488,360	\$522,155	\$493,572	+70%

¹ Fred Hansen, testimony before the Senate Revenue Committee on SB 549, March 11, 2003, p. 3.



In fact, there is negative correlation – as TriMet’s revenue went up over the course of a decade, *actual service went down*:

**Annual Fixed Route Service and Ridership Trends for TriMet
2004-2015**

	2004	2006	2008	2010	2012	2014	2015	% change
Hours of service	1,698,492	1,653,180	1,712,724	1,682,180	1,561,242	1,608,090	1,676,826	-1.3%
Miles of service	27,548,927	26,830,124	26,448,873	25,781,480	23,625,960	23,763,420	24,248,910	-12%
Originating rides	71,284,800	74,947,200	77,582,400	77,769,119	80,042,810	75,779,560	77,260,430	+8.4%

Note: The term “originating rides” excludes transfers.

Source: TriMet, <http://www.trimet.org/pdfs/publications/trimetridership.pdf>

There is a slight correlation between revenue and transit use, as total originating rides went up 8% while operating revenue went up 70%. However, ridership peaked in 2012 and has dropped by 3.5% since then.

TriMet claims that the 2003 promise of “enhanced service” was met because many new rail lines were built. But to the 66% of TriMet riders who travel by bus and saw their service drop by 12%, shiny new rail lines were of little consolation.

TriMet now wants to expand its reach through **SB 1510** so as to spend new funds for “multi-modal” projects. We suggest a simple response: unless and until TriMet transit service returns to at least 2004 levels, no additional spending authority should be granted.