

Why is it Essential for the 2025 Legislature to Increase Transportation Funding?

Oregon's Legislature made significant progress in 2017 with the passage of <u>HB 2017</u>, the largest multimodal transportation package in state history. This \$5.3 billion package provided a critical funding increase for local government investments and state projects in key transportation corridors. The package also included significant investment in public transit and shuttle service across Oregon and improved safety enhancements such as <u>Safe Routes to School</u>, a program which has dramatically improved safe walking and biking routes for youth.

As the Legislature approaches the 2025 legislative session, it's crucial to maintain the momentum of the past seven years. However, we face significant challenges, including cost inflation for transportation construction materials and labor — the National Highway Construction Cost Index currently shows inflation at 80%. The declining purchasing power of the gas tax, the state's primary revenue source overall, is eroding the scale of investments, hindering the completion of key projects in HB 2017 and the ability of local jurisdictions to deliver basic operations and maintenance services.

If the Legislature fails to pass a transportation package in 2025, communities across the state will see more potholes, unmaintained streets and traffic signals, and other critical failures for both the local and state systems. This would also threaten the completion of critical project investments.

Urgency is needed now to build support for a robust transportation package in 2025 that reinforces the state's investment in Oregon's entire transportation system across all modes. The 2025 transportation package can and should be a statewide investment that includes local governments as a full partner.

There are fundamental elements that must be considered when building a transportation package in 2025. The process will require a return to the basics and a fundamental investment in Oregon's entire transportation system. These fundamental elements must include:



A stable, significant investment in state and local government facilities. If core operations and maintenance of Oregon's transportation system continue to be underfunded, existing local and state infrastructure will fail, requiring more expensive repairs.

- Due to gas tax stagnation and significant inflation, state and local governments are experiencing a continued decline in street conditions.
- Additional state funding allows Oregon to maintain and operate a transportation system that can efficiently and safely move people, goods, and services.

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Additional transit funding is critical to connecting communities. One of the most significant investments made in HB 2017 was an annual infusion of transit funding to build capacity and create inter-community connections. We must continue this investment, focusing on underserved communities

and those without public transit options, specifically through inter-community transit investment. Funding to support core operations and maintenance activities is critical to maintaining a complete and safe transit system.



Transportation safety remains a top concern, as traffic fatalities and serious injuries have continued to rise over the last few years. Increasing investments in safety improvements which minimize conflicts between transportation options, such as improved pedestrian crossings, are necessary to make Oregon

communities safer. Transportation safety is most critically needed on our high-traffic roads and near our schools.

Over the last five years, cities have faced significant increases in the loss of life along roadways. This includes fatal vehicular crashes, bike crashes, and those involving pedestrians. Increased investment in safety projects will make a significant difference.



Start the transition to a Road User

Fee, which will reduce the continued erosion of buying power with the gas tax and stabilize revenue for transportation investments. This will create a fee structure based on the true impact of vehicles on Oregon's transportation infrastructure.



Finish projects in HB 2017. There are 43 projects across Oregon that were part of the commitments made in 2017. The scale of these investments was historic and resulted from a significant bipartisan effort, but not all have been

How Can You Help? Use Your Local Stories to Highlight Transportation Needs

Each city has a story worth sharing with members of the Joint <u>Committee on</u> <u>Transportation</u>. By sharing those local stories,



you will drive the message home that we have significant needs, and the Legislature must act. Consider these themes when talking about your communities:

- Do you currently have adequate funding to operate and maintain your roads?
- Can you keep up with paving? Filling potholes? Maintaining safe crossings? Responding to extreme weather events?
- What will happen to the condition of your roads if there are no further gas tax increases?
- Does your city have adequate resources to prevent traffic fatalities and serious injuries?
- Has your city benefited from HB 2017 transit investments? Do you have additional transit needs? Do you have a new transit or intercommunity shuttle service in place?

completed. These unfinished projects must be completed because they remain critical for all communities in Oregon.

- If these projects are not completed, we risk losing the public's confidence in the Legislature's ability to deliver on commitments.
- Now is not the time to go back. It's time to press on and deliver a funding package that can complete these long-term investments.