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June 24, 2015

TO: Senate Special Committee on Sustainable Transportation

FR: Craig Honeyman, Legislative Director – League of Oregon Cities

RE: HB 2281-B7 – Transportation Package

Good afternoon. I am Craig Honeyman, Legislative Director for the League of Oregon Cities representing all 242 cities in Oregon. I am pleased to offer the League's support for the -B7 amendments to HB 2281. Passage of a comprehensive transportation funding package is one of the League's top priorities in the 2015 legislative session.

First of all, I want to thank all those in the legislative assembly who have worked so hard to bring the legislation to this point. I know that this has been a difficult and very time consuming process and your work is appreciated.

Let me highlight just a few of the items in the -B7 amendments that specifically address the League's transportation priorities:

1. Gas tax and fee increases – the cities' 20 percent share of the additional \$206 million - \$41.2 million annually that this bill will raise from gas tax and fee increases will be very helpful in providing additional resources for city street maintenance budgets that are already short by over \$300 million per year (2014 LOC Local Street Needs Report).
2. Driver license fee – to increase funding in support of ODOT's information technology upgrades.
3. Electric and hybrid vehicle registration fee – ensures that newer technology vehicles pay their fair share into the state highway fund.

Even with passage of this bill there will be work to be done. The League hopes that discussions will ensue in future sessions regarding indexing the gas tax to make this source of funding truly sustainable for as long as it continues to be the primary source of highway funding. In addition, increased funding for the jurisdictional transfer of "orphan highways" should be addressed.

For now this is a job well done given all the circumstances surrounding this issue. I urge your approval of this package.

Thank you.