

Analysis

Department of Transportation

Transportation Package Implementation Report

Analyst: Gregory Jolivette

Request: Acknowledge receipt of a report on HB 2017 implementation.

Analysis: HB 2017, known as the Transportation Package of 2017, enacted multi-year tax and fee increases to support growth and maintenance of the state's transportation infrastructure. The projected \$5.3 billion in new revenue over 10 years will significantly increase the base program for project delivery, driving a need for new positions at the Oregon Department of Transportation (ODOT).

Given the size and scope of the Transportation Package of 2017, the agency was directed to review different project delivery models with the goal of identifying an approach that maximizes the use of outsourcing to private sector consultants and contractors, and, at the same time, allows the agency to maintain effective oversight of project delivery and ensure accountability.

Recognizing that the number of positions required in the 2017-19 biennium and beyond to implement HB 2017 would depend on several variables, such as the method of project delivery, the degree of outsourcing, and the agency's ability to recruit staff, the Legislature provided only a fraction of the agency's 2017-19 request for resources. Specifically, HB 5045 (2017) provided ODOT resources for only the first six months of 2017-19 -- \$110 million Other Funds, and 51 positions -- to begin implementation of HB 2017, and directed ODOT to report as follows:

The Oregon Department of Transportation is directed to report to the Legislative Assembly during the 2018 legislative session on (1) the department's progress filling positions granted during the 2017 legislative session for implementation of HB 2017 (2017); (2) the status of transportation projects included in the bill; and (3) any additional positions the department may need to fully implement the transportation package of 2017.

Highlights of the Report

- 75% of the 51 positions authorized in HB 5045 have been filled (as of February 1, 2018).
- The HB 2017 transportation projects for the current Statewide Transportation Improvement Program have been adopted by the Oregon Transportation Commission. In addition, rules have been adopted on the process and criteria for review of Connect projects listed in the bill, and rulemaking is underway for Safe Routes to Schools and Public Transit Grants.
- The agency has identified a need for an additional 179 positions in the current biennium, and 44 positions in 2019-21 for a total of 274 positions. According to ODOT, this staffing level is based on a project delivery model using 70% outsourcing of planning and engineering work (up from the current 52%).

Legislative Fiscal Office Recommendation: Acknowledge receipt of the report.