



Date: September 12, 2024

To: Co-Chairs Gorsek and McLain
Members of the Joint Committee on Transportation

From: Cris Patnode, Gilliam County Judge
Dewey Kennedy, Gilliam County Roadmaster

On behalf of Gilliam County, we would like to welcome you to our community.

Thank you for the opportunity to share our county's priorities on sustainable transportation revenue which supports a safe, functional, and efficient, statewide multimodal transportation system now and for years to come.

Oregon counties are responsible for the largest share of Oregon's public road system, with over 32,000 miles and over 4,000 bridges. Gilliam County owns and maintains 428 road miles and 15 bridges. This includes 26 miles in poor or fair condition, 2 bridges in poor or fair condition, and 2 heavy-truck-weight restricted bridges.

Counties, like our city and state partners, count on the State Highway Fund. This fund is crucial for safety improvements and maintaining critical infrastructure that all Oregonians depend on — roads, bridges, sidewalks, bike paths, traffic signals, culverts, and fish passages. Counties partner with the state to support a safe and reliable multimodal transportation system that connects Oregonians and our economy. We respectfully ask this committee to uphold the long-standing, 50-30-20 State Highway Fund distribution formula that efficiently supports Oregon's cities, counties, and highways.

Today, inflation, shrinking fuel consumption, and limited local tax bases, have required counties to defer needed safety improvements and routine maintenance work, resulting in a lower standard of quality and safety for the existing road system. Highway construction cost inflation has more than doubled our costs, while revenue has grown by less than half since 2017.

House Bill 2017, Oregon's historic transportation funding package helped many counties maintain services and preserve our roads. Smaller rural counties particularly rely on the Small County Allotment Program to keep all Oregonians connected. We respectfully ask this committee to support a commensurate increase to the Small County Allotment Program in any new transportation package.

Unfortunately, the additional funding in House Bill 2017, at the time was only estimated to cover less than *half* of the projected need to improve and maintain the county road system to a safe and adequate condition.

While counties have several local revenue raising options available such as local gas taxes, vehicle registration fees, or service districts, Gilliam County's tax base is too small to meet the operational, maintenance, and enhancement needs of our road system. We respectfully ask this committee to expand local options for counties to raise revenue and lift current preemptions.

Counties are thankful for the Oregon Department of Transportation (ODOT) and the legislature's concerted effort to work with local governments to find collaborative solutions to the state's impending budget deficit. Our partnership with ODOT and the legislature on House Bill 2101 Surface Transportation Block Grant Fund Exchange Program is an efficient model of collaboration that we look forward to continuing.

As work continues to develop the 2025 Transportation Package we ask that you partner with counties, support the largest share of Oregon's public road system, and uphold the 50-30-20 funding formula that unites Oregon's cities, counties, and highways.

For more information on Gilliam County's road, bridge, and transportation priorities, please see the attached County Road Priorities brief.

Thank you for your consideration.