

SUBCOMMITTEE RECOMMENDATION

HB 5040

Department of Transportation

To: Ways and Means Full Committee
From: Transportation and Economic Development Subcommittee
Carrier: Representative Gomberg

HB 5040 is the budget bill for the Oregon Department of Transportation.

The Subcommittee recommends a total funds budget of \$5,773,533,425 and 4,911 positions. This recommendation is a 12% increase from the 2023-25 Current Service Level. ODOT's budget is primarily funded with Other Funds and Federal Funds. General Fund supports debt service on previously issued bonds. Lottery bonds support debt service and veterans' transportation grants.

The Subcommittee recommendation recognizes additional funding coming to Oregon from ODOT's most recent federal transportation allocation known as the Infrastructure Investment and Jobs Act. Six positions were added for pre-construction and pre-permitting work associated with Interstate 5 Bridge Replacement Project. Additional funding and position authority was included to support the urban mobility strategy, involving large metro-area projects funded through House Bill 2017, climate and equity initiatives, and the foundational traffic studies, analysis and financial modeling associated with congestion pricing and project financing. Carry over of American Rescue Plan Act funding will enable the completion of the Newberg Dundee Bypass project. Positions and expenditure limitation will support the creation of a small business assistance program for contractors, as well as equity and inclusion efforts. \$650,000 in Veterans' Services Funds transferred from the Oregon Department of Veterans' Affairs supports the administration of local grants for transit providers serving veterans. Position

reclassifications that are largely self-financed are included in the budget, as are technical adjustments and recognition of revenue from DMV and license plate manufacturing fee increases. Updates to key performance measures for DMV customer service and the condition of pedestrian facilities and bike lanes are also recommended.

The Transportation and Economic Development Subcommittee recommends HB 5040 be amended by the –1 amendment and be reported out do pass, as amended.