

HB 5040 A BUDGET REPORT and MEASURE SUMMARY

Carrier: Sen. Steiner

Joint Committee On Ways and Means

Action Date: 05/31/23

Action: Do pass the A-Eng bill.

Senate Vote

Yeas: 9 - Anderson, Campos, Dembrow, Findley, Frederick, Gelsner Blouin, Knopp, Sollman, Steiner

Nays: 2 - Girod, Hansell

House Vote

Yeas: 8 - Evans, Gomberg, Holvey, McLain, Pham K, Sanchez, Smith G, Valderrama

Nays: 4 - Breese-Iverson, Cate, Lewis, Reschke

Prepared By: Michelle Lisper, Department of Administrative Services

Reviewed By: Michelle Diester, Legislative Fiscal Office

*** CORRECTED ***

Department of Transportation

2023-25

Budget Summary*

	2021-23 Legislatively Approved Budget ⁽¹⁾	2023-25 Current Service Level	2023-25 Committee Recommendation	Committee Change from 2021-23 Leg. Approved	
				\$ Change	% Change
General Fund	\$ 57,499,960	\$ -	\$ -	\$ (57,499,960)	(100.0%)
General Fund Debt Service	\$ 18,371,213	\$ 16,930,280	\$ 16,930,280	\$ (1,440,933)	(7.8%)
Lottery Funds	\$ 950,000	\$ -	\$ 650,000	\$ (300,000)	(31.6%)
Lottery Funds Debt Service	\$ 121,144,419	\$ 136,144,810	\$ 136,144,810	\$ 15,000,391	12.4%
Other Funds Limited	\$ 4,857,235,948	\$ 4,425,250,734	\$ 4,930,853,629	\$ 73,617,681	1.5%
Other Funds Capital Improvements	\$ 18,099,880	\$ 17,734,129	\$ 17,734,129	\$ (365,751)	(2.0%)
Other Funds Debt Service	\$ 401,157,671	\$ 381,283,133	\$ 443,275,713	\$ 42,118,042	10.5%
Other Funds Nonlimited	\$ 18,000,000	\$ 18,000,000	\$ 18,000,000	\$ -	0.0%
Federal Funds Limited	\$ 218,840,626	\$ 138,699,300	\$ 191,180,217	\$ (27,660,409)	(12.6%)
Federal Funds Debt Service Nonlimited	\$ 20,679,380	\$ 18,764,647	\$ 18,764,647	\$ (1,914,733)	(9.3%)
Total	\$ 5,731,979,097	\$ 5,152,807,033	\$ 5,773,533,425	\$ 41,554,328	0.7%

Position Summary

Authorized Positions	4,936	4,769	4,911	(25)
Full-time Equivalent (FTE) positions	4,755.80	4,657.65	4,790.20	34.40

⁽¹⁾ Includes adjustments through January 2023

* Excludes Capital Construction expenditures

Summary of Revenue Changes

The Oregon Department of Transportation (ODOT) is primarily funded with Other Funds and Federal Funds revenues. ODOT’s Other Funds revenue comes from transportation-focused taxes and fees and “Federal Funds as Other Funds” are allocated from the U.S. Department of Transportation, predominately the Federal Highway Administration. The most recent federal allocation is referred to as the Infrastructure Investment and Jobs Act (IIJA).

The State Highway Fund includes revenue derived from four major program areas: 1) motor fuel taxes; 2) weight-mile tax, heavy-duty vehicle registration, permits, and other fees collected through the Commerce and Compliance Division; 3) fees from driver licenses, vehicle titling, registration, and other Driver and Motor Vehicles (DMV) services; and 4) the use tax on vehicles purchased from sellers outside Oregon and brought into the state, imposed by House Bill 2017 (2017).

Federal Funds from other federal agencies including the National Highway Traffic Safety Administration, Federal Railroad Administration, and Federal Transit Administration are dedicated for specific purposes.

In the 2017 Legislative Session, House Bill 2017, also known as Keep Oregon Moving, made significant investments in transportation. Keep Oregon Moving will produce an estimated \$5.2 billion in total revenue over its first 10 years. When all taxes and fees are in place in 2024, Keep Oregon Moving will produce \$500 million in State Highway Fund revenue, annually. The increase in revenue is generated with increases in the motor fuels and weight mile taxes, as well as vehicle title and registration fees phased-in over a seven-year period (2018-2024).

The Department also receives funds from the federal gas tax, which has not been raised since 1993. In 2008, when the federal Highway Trust Fund first ran short of cash, Congress made up the gap by transferring more than \$65 billion into the Fund. Since that time, additional transfers have been made to keep the federal Highway Trust Fund solvent. These transfers have prevented deep cuts in the federal transportation program, but they have not solved the need for long-term, sustainable revenue.

The Department receives a small amount of Lottery Funds from the Veterans' Services Fund to support the Rural Veterans Healthcare Transportation Grant Program. ODOT also receives General Fund and Lottery Fund to support debt service payments.

Summary of Transportation and Economic Development Subcommittee Action

The mission of ODOT is to provide a safe and reliable multimodal transportation system connecting people and helping Oregon's communities and economy thrive. ODOT was established in 1969 by the Oregon Legislature and reorganized multiple times throughout the years to better reflect the Department's daily operations. The Department is specifically responsible for administration of programs related to Oregon's highways, roads, bridges, railways, public transportation services, transportation safety, driver and vehicle licensing, climate, and motor carrier regulations.

The Oregon Transportation Commission (OTC) develops and maintains state transportation policy. The Commission also guides the planning, development, and management of a statewide integrated transportation network providing efficient access, safety, and enhances Oregon's economy and livability. OTC meets regularly to oversee the Department's activities related to highway, public transportation, rail and transportation safety, motor carrier transportation, and drivers and motor vehicles. Other major Commission activities include review and certification of ODOT's agency requested budget and development and approval of the Statewide Transportation Improvement Program (STIP). STIP is the capital improvement plan for state and federally funded projects. ODOT is currently executing the 2021-24 STIP plan with the next STIP plan (2024-27) expected to be finalized later in 2023.

The Subcommittee recommended a total funds budget of \$5,773,533,425, which includes \$16,930,280 General Fund, \$136,794,810 Lottery Funds, \$5,391,863,471 Other Funds expenditure limitation, \$18,000,000 Other Funds Nonlimited, \$191,180,217 Federal Funds expenditure limitation, \$18,764,647 Federal Funds Nonlimited, and 4,911 positions (4,790.20 FTE). The total funds budget is a 0.7 percent increase from the 2021-23 Legislative Approved Budget (LAB) and a 12.0 percent increase from the 2023-25 Current Service Level budget.

Loans and Grant Program

This program includes ODOT's Nonlimited expenditures for the Oregon Transportation Infrastructure Fund (OTIF). OTIF consists of the Oregon Transportation Infrastructure Bank (OTIB) and a limited grant program for infrastructure projects that reduced the number of wildlife-vehicle collisions. OTIB makes loans to local governments, transit providers, ports, and other eligible borrowers. The Fund was capitalized with a combination of federal and state funds and interest earnings. Revenue bonds may also be issued to provide additional capitalization. As loans are repaid, principal and interest are returned to the bank and made available for new loans. Staffing for OTIB is included in the Finance and Budget Division. The Subcommittee recommended a total funds budget of \$25,000,000, which includes \$7,000,000 Other Funds Limited, \$18,000,000 Other Funds Nonlimited. There are no positions associated with this program.

Capital Improvements

The Capital Improvements Program funds ODOT building repair and remodel projects falling below the capital construction threshold of \$1,000,000. Improvements include any amount expended to improve leased property, including those provided by the lessor if the lessee requires lump-sum payment. ODOT owns over 1,200 facilities throughout the state. Over time, it is necessary to upgrade or replace facilities as they deteriorate and exceed their useful life. Other factors contribute to how well a facility supports business operations, such as technology changes, acquisition of larger modern equipment, and environmental requirements. The Subcommittee recommended a \$17,734,129 Other Funds expenditure limitation and there are no positions associated with this program.

Maintenance

The Maintenance program focuses on the daily activities of maintaining and repairing existing highways. The program area is also responsible for maintaining ODOT buildings and equipment and serves as the main point for public contact regarding questions related to state highways in general, special highway-use permits, and general overall road maintenance information.

Highway maintenance activities fall into two categories: reactive (fix it if it breaks) and proactive (spend now to save later). Reactive activities include responding to weather events to keep the roads passable, responding to crashes, cleaning ditches, repairing guardrails, filling potholes, and replacing signals. Proactive activities include inspection, upkeep, preservation, or restoration activities to prevent problems or damage to highways and associated infrastructure to reduce life cycle costs. Maintenance is funded from the State Highway Fund, (Article IX, section 3a of the Oregon Constitution and ORS 366.505) and from Federal Highway Administration funding as approved within the federal transportation Infrastructure Investment Job Act (IIJA), which requires matching funds from state or local jurisdictions. The Subcommittee recommended a \$568,670,189 Other Funds expenditure limitation and 1,371 positions (1,304.62 FTE).

The Subcommittee recommended the following packages:

Package 081, June 2022 Emergency Board. This package includes Other Funds expenditure limitation of \$9,231,721, which is the 2023-25 biennial rollup costs from approved funding at the June 2022 meeting of the Emergency Board. This package is affiliated with the IJA increases to support transportation maintenance activities.

Package 803, Position Reclassifications. This package decreases Other Funds expenditure limitation by \$141,768 and abolishes three positions (1.21 FTE) in the Maintenance program.

This package reflects the reclassification of positions ODOT submitted to the Department of Administrative Services for approval to enable the Department to utilize existing position authority more efficiently, based on evolving responsibilities and project priorities in the various divisions. The package is largely self-financed, abolishing some existing positions to enable the establishment of others and down-classing some positions to allow for upward reclassification of other positions that better reflect classifications for work being done. The net effect department-wide is the elimination of five positions (2.54 FTE) and the addition of \$9,682 Other Funds expenditure limitation.

Project Delivery & Support

The Project Delivery & Support Division includes transportation projects related to mobility, safety, accessibility, and projects benefiting state owned facilities. The Division assesses projects for economic impact, growth management, livability, and equity; and complies with environmental and land use regulations. Six major transportation responsibilities fall under the Division: preservation of highway in the best condition possible; inspection, preservation and reconstruction of more than 2,700 bridges and associated structures; highway safety and operations; modernization, which is focused on facilitating economic development, reducing congestion, and improving safety; special programs providing indirect, technical, and program support for the Delivery & Support Division; and the Urban Mobility Office. The Subcommittee recommended an Other Funds expenditure limitation of \$2,553,851,549 and 1,420 positions (1,403.41 FTE).

The Subcommittee recommended the following packages:

Package 081, June 2022 Emergency Board. This package includes Other Funds expenditure limitation of \$269,584,196 and 40 positions (40.00 FTE), which is the 2023-25 biennial rollup costs from approved funding at the June 2022 meeting of the Emergency Board. The additional limitation will accommodate additional funding received under IJA.

Package 100, IJA Project and Program Resourcing. This package increases Other Funds expenditure limitation by \$3,547,152 and establishes 13 permanent full-time positions (11.44 FTE). The funding comes from IJA, and adds approximately \$200 million a year (across a five-year period from 2022 to 2027) to the existing ODOT federal formula-based funding for STIP.

This package is expected to address projects being planned and executed, projects that require engineering and technical services, projects that need permitting and environmental review, contract management and training. ODOT is expected to add the following positions:

2 – Associate in Engineering 2	1 – Environmental Coordinator 3	1 – Operations and Policy Analyst 3
4 – Professional Engineer 2	1 – Project Manager 2	1 – Administrative Specialist 2
1 – Environmental Coordinator 2	1 – Project Manager 3	1 – Public Affairs Specialist 2

Package 101, Interstate Bridge Replacement. This package increases the Other Funds expenditure limitation by \$1,906,996 and establishes six permanent full-time positions (6.00 FTE).

The states of Washington and Oregon are working together on plans to replace the aging I-5 interstate bridge with a modern, seismically resilient, multi-modal structure, which offers improved mobility for people and freight. A core project team focused on administration, planning, and community engagement was approved in 2022. As approvals are sought, permitting continues and more of the project plan is phased-in, additional resources are needed for coordination, pre-construction, and construction activities.

Washington’s \$1 billion share of the total project cost has been secured through a financing plan approved by their state’s legislature, and Oregon must commit a comparable amount to demonstrate commitment and project viability to federal grant administrators, who have indicated any Federal Funds awarded will be on a “last dollar in” basis. Assuming funding is secured and timelines are maintained, project planning and final design work is estimated to continue through 2027, with the first of approximately two dozen construction contracts awarded in 2025 and lasting over 10 years. The positions listed below in this package are expected to offer stability for the life of the project.

1 – Fiscal Analyst 2	1 – Operations and Policy Analyst 4	1 – Professional Engineer 2
1 – Operations and Policy Analyst 2	2 – Professional Engineer 1	

Package 102, Urban Mobility Strategy. This package increases Other Funds expenditure limitation by \$5,578,240 and establishes 21 permanent full-time positions (17.52 FTE).

The passage of House Bill 2017 (2017) committed funding to transportation projects throughout Oregon, including several large transportation projects in the Portland metro area. It also directed ODOT to pursue implementation of tolling on I-5 and I-205 in the Portland Metro area to manage traffic congestion and raise revenue for bottleneck-relief projects. While a two-year “pause” on tolling has been directed by the Governor and legislative leaders, ODOT still requires foundational research and planning of how such a program would be implemented; including traffic studies, financial modeling, development of a back-office IT system to support eventual revenue collection, identification of a roadside vendor for the gantry service, and ongoing community engagement to share information as it’s developed with affected communities. The following positions are expected to support this work, and to further work on construction projects in the Portland-Metro area, climate and equity initiatives.

2 – Construction Project Manager 3	1 – Operations & Policy Analysts 3	3 – Professional Engineer 2
1 – Engineer Specialist 3	1 – Operations & Policy Analyst 4	2 – Public Affairs Specialist 3
1 – Environmental Program Coordinator 3	1 – Manager 1	2 – Public Affairs Specialist 2
1 – Executive Support Specialist 2	2 – Manager 2	1 – Electronic Publishing Design Specialist 3
2 – Operations & Policy Analysts 2	1 – Professional Engineer 1	

This package also includes technical adjustments to correctly classify the representation of the following:

- Three Public Affairs Specialist reclassified to Association of Engineering positions, and
- Two Manager 2 positions and one Manager 1 position were incorrectly classified with the Information Services pay option.

Package 109, ARPA Carry-over for Newberg-Dundee Bypass. This package increases Other Funds expenditure limitation by \$19,000,000 for the Newberg-Dundee Bypass project. This package represents a carryforward from the initial \$32 million of the American Rescue Plan Act (ARPA) funds, which were dedicated during the 2021-23 biennium for completion of the project. The Oregon Route 219 and the Oregon Route 18 interchange improvement associated with the project are projected to be completed by August 2026.

Package 803, Position Reclassifications. This package reflects the reclassification of positions that ODOT submitted to the Department of Administrative Services for approval to utilize existing position authority more efficiently, based on evolving responsibilities and project priorities in the various divisions of the Department. In the Project Delivery and Support program, this package increases Other Funds expenditure limitation by \$295,810 with a net reduction of one position (0.08 FTE). This package makes the following position adjustments:

- Establish three permanent full-time positions, a Civil Engineering Specialist, an Associate in Engineering 2, and one Operations & Policy Analyst 3 to accommodate the work generated by an increase in ODOT’s congressional funding allocation from IIJA,
- Abolish two Office Specialists, one Administrative Specialist and one Transportation Telecommunication Specialist position;
- Upward reclassification of one Procurement and Contract Specialist 2 to a Procurement and Contract Specialist 3, resolving a work-out-of-class issue,
- Converts a part-time Transportation Telecommunication Specialist into a full-time Transportation Telecommunication Specialist position; and
- Upward reclassification of an Associate in Geology to a Professional Geologist 1 position to resolve a work-out-of-class issue.

Local Government

This program provides project delivery oversight and state or federal funding administration for the development and execution of transportation improvement projects within local jurisdictions in Oregon. The program accounts for approximately 25 percent of STIP funding and up to 30 percent of the projects delivered among ODOT regions. The Local Government program is a cost-based reimbursement program between the Federal Highway Administration and ODOT. ODOT's Federal-aid Program uses Federal Funds to reimburse local agencies, such as cities and counties, ports, special districts, tribes, and other federal agencies eligible for federal transportation funding. The Federal Highway Administration provides funds to ODOT through the Federal-aid Highway Program and ODOT reimburses these funds to eligible local agencies. Projects funded with federal transportation funds require local participation. The Subcommittee recommended a \$565,396,171 Other Funds expenditure limitation and 55 positions (54.88 FTE).

The Subcommittee recommended the following packages:

Package 081, June 2022 Emergency Board. This package includes Other Funds expenditure limitation of \$117,483,435 and two permanent full-time positions (2.00 FTE), which is the 2023-25 biennial rollup costs the from funding approved at the June 2022 meeting of the Emergency Board. The additional limitation will accommodate additional funding received under IIJA.

Package 100, IIJA Project and Program Resourcing. This package increases Other Funds expenditure limitation by \$241,234 and establishes one permanent full-time position (0.88 FTE) to support contracting for ADA project delivery and oversight of right of way property transfers. The funding comes from the most recent congressional funding allocation for transportation known as IIJA and is utilized as Other Funds within ODOT. The IIJA funding allotment from the federal government adds approximately \$200 million a year (across a five-year period from 2022 to 2027) to the existing ODOT federal formula-based funding to STIP.

Package 803, Position Reclassifications. This package reflects the reclassification of positions that ODOT submitted to the Department of Administrative Services for approval to utilize existing position authority more efficiently, based on evolving responsibilities and project priorities in the various divisions. Other Funds expenditure limitation is increased by \$31,872 and one Operations and Policy Analyst 1 is reclassified to an Operations & Policy Analyst 2 position, resolving a work-out-of-class issues.

Driver and Motor Vehicle Services

The DMV Division promotes driver safety, protects financial and ownership interests in vehicles and collects revenues for Oregon's highway system. DMV services touch almost every Oregonian by issuing over 600,000 driver licenses and identification (ID) cards, one million vehicle titles, and almost two million vehicle registrations each year. DMV also regulates and inspects about 3,500 vehicle and driver related businesses in Oregon. DMV provides driver licensing, vehicle titling and registration, and driver/vehicle records online and at 60 service locations throughout the state.

The DMV is funded almost entirely with Other Funds revenue derived from fees collected from DMV products and services. DMV collects revenues for the State Highway Fund and uses a portion of its revenues for administrative costs, authorized in Article IX (Section 3a) of the Oregon Constitution. Fees collected from certain transactions, like business licenses and ID cards are deposited in the ODOT Transportation Operating Fund (TOF). DMV-derived TOF funds are used to fund specific activities that cannot be funded from the State Highway Fund, such as Real ID compliance and business regulation. DMV also receives Federal Funds from the Federal Motor Carrier Safety Administration and the U.S. Department of Justice. The Subcommittee recommended total funds of \$311,509,999, which includes \$280,283,206 Other Funds expenditure limitation, \$31,226,793 Federal Funds expenditure limitation, and 897 positions (877.50 FTE).

The Subcommittee recommended the following packages:

Package 111, DMV Plate-revenue only. This package recognizes Other Funds revenue of approximately \$1.0 million for the 2023-25 biennium, effectively ratifying an administratively approved fee increase approved in the 2021-23 biennium.

Costs to manufacture license plates increased in the 2021-23 biennium, and this package recognizes that change. The surcharge for a single license plate went from \$12.00 to \$12.50, and for a double plate it went from \$24.50 to \$25.50. Under ORS 803.570, Plate Manufacturing Fees, ODOT collects the manufacturing fee for license plate singles and pairs from the customer at the of plate issuance. The fee to the consumer for plate singles and pairs are determined by the actual cost of manufacturing the plate(s), rounded up to the next half dollar and adding that to the flat license fee rate. Statute authorizes ODOT to establish this fee in administrative rule, subject to the Department of Administrative Services approval and subsequent ratification by the Legislature.

Package 801, LFO Analyst Adjustments. This package increases the Other Funds expenditure limitation by \$14,572 Personal Services to correct an error in the representation associated with the administrator positions approved for the Board of Towing.

Package 803, Position Reclassifications. This package increases Other Funds expenditure limitation by \$115,296 and establishes a full-time permanent Compliance Specialist 2 position and abolishes a vacant Office Specialist 2 position for a net increase of 0.50 FTE.

Package 805 HB 2100 DMV Fee Bill. This is a revenue-only package, which recognizes revenue from changes to DMV fees, and will more closely align the cost of providing many services with fees charged. The various fee changes will generate an estimated total of \$19.0 million Other Funds in the 2023-25 biennium, lessening the subsidy of DMV expenditures from other sources of State Highway Fund revenues. The fee changes are contained in House Bill 2100, which the Legislative Fiscal Office recommends for work session in tandem with the Department's budget bill.

Commerce and Compliance Division

The Commerce and Compliance Division is responsible for overseeing the commercial transportation industry by ensuring commercial vehicles traveling across Oregon's transportation system are compliant with all safety regulations. This includes but is not limited to, protecting roads,

bridges and rails from unnecessary damage, providing customer service in registering commercial vehicles in Oregon, and collecting the appropriate road usage charges.

Currently, there are approximately 9,000 Oregon-based motor carriers, accounting for 53,000 registered vehicles. Nearly 70 percent of trucks operate outside the state and participate in the International Registration Plan. The Motor Carrier Transportation section helps truckers comply with Oregon laws and regulations relating to economic regulation, registration, safety, freight mobility, and truck size and weight. The Division is funded primarily through the State Highway Fund, but also receives Federal Funds supporting truck safety-related efforts. Additionally, the Division is responsible for the rail safety program to ensure the railroad industry is compliant with Federal Railroad Administration guidelines. The Subcommittee recommends a total funds budget of \$116,672,939, which includes \$102,475,648 Other Funds expenditure limitation, \$14,197,291 Federal Funds expenditure limitation, and 314 positions (312.73 FTE).

The Subcommittee recommended the following packages:

Package 081, June 2022 Emergency Board. This package includes Federal Funds expenditure limitation of \$4,000,000 and seven permanent full-time positions (7.00 FTE), which is the 2023-25 biennial rollup costs from funding approved at the June 2022 meeting of the Emergency Board. This package is affiliated with IJA increases provided by the Federal Motor Carrier Safety Assistance Program to complete the new work related to the motor carrier safety audits and truck inspections.

Package 801, LFO Analyst Adjustments. This package increases Other Funds expenditure limitation by \$10,100,000 and represents the rail crossing safety improvement projects included in the STIP that is being carried over into the 2023-25 biennium, when the projects are expected to be completed.

Package 803, Position Reclassifications. This package decreases Other Funds expenditure limitation by \$123,360 and reflects a net reduction of 0.75 FTE. This package makes the following position adjustments to utilize existing position authority more efficiently, based on evolving responsibilities and project priorities:

- Establishes two permanent full-time positions, a Transportation Services Representative and a Project Manager 1,
- Abolishes two Compliance Specialist 2 positions,
- Upward reclassifies two Transportation Services Representative to two Transportation Services Office Leaders, and
- Downward reclassifies nine Transportation Services Representative 2 positions to Transportation Services Representative 1 positions. These positions were underfilled due to changes in positions responsibility and this action will reflect position description needs.

Package 804, Motor Carrier Education Fee. This is a revenue-only package that recognizes revenue resulting from a change in motor carrier education fees the Department wishes to establish by rule, for which they were given authority in House Bill 3055 (2021). The bill allowed the Department to contract training for motor carriers. The fee would be \$40 dollars, which is \$20 less than the previous statutory fee that House

Bill 3055 superseded, but which the Division had not been collecting. The new fee is expected to generate an estimated \$96,000 in the 2023-25 biennium.

Policy, Data & Analysis Division

The Policy, Data & Analysis Division has a diverse portfolio of responsibilities and provides support and services ranging from shared technical assistance to cities, counties, and Metropolitan Planning Organizations to financial support, partner funding, or planning and infrastructure projects to local governments. The Division provides grant opportunities for the building of infrastructure in support of state and community visions for a multimodal transportation system (ConnectOregon). The Other Funds revenue for the Division is from the State Highway Fund and Oregon privilege taxes for ConnectOregon. The Federal Funds sources come from the FHWA and the National Highway Traffic Safety Administration. The Subcommittee recommended a total funds budget of \$202,963,642, which includes \$202,748,479 Other Funds expenditure limitation, \$215,163 Federal Funds expenditure limitation, and 206 positions (198.46 FTE).

The Subcommittee recommended the following packages:

Package 081, June 2022 Emergency Board. This package includes Other Funds expenditure limitation of \$40,363,329 and three permanent full-time positions (3.00 FTE), which is the 2023-25 biennial rollup costs from funding approved at the June 2022 meeting of the Emergency Board. This package is affiliated with IIJA projects focused on building out electric vehicle (EV) charging infrastructure and enabling a new Carbon Reduction Program. This assumes distribution of \$85 million for projects reducing transportation emissions and increasing local grant activity to support equity and climate outcomes.

Package 100, IIJA Project and Program Resourcing. This package increases Other Funds expenditure limitation by \$12,877,494, supporting two permanent full-time and five full-time limited duration positions (6.40 FTE) that are recommended to fully operationalize work that begun in July 2022 to build up electric vehicle (EV) charging infrastructure. A new Carbon Reduction Program will address the reduction of transportation emissions, and support equity and climate outcomes related to the Department of Land Conservation and Development's Climate-Friendly and Equitable Communities program.

Public Transportation Division

The Public Transportation Division provides or commissions transit, passenger rail, active transportation, transportation options, and micro mobility services across Oregon. One-third of Oregonians do not have access to a car, choose not to drive, or are unable to drive. These Oregonians need access to some form of transportation for basic, as well as vital services. The Division is responsible for managing the multimodal statewide network of transportation systems and facilities.

The Division also assists in the development and use of transit, ridesharing, and other alternatives to driving alone as ways to reduce congestion, diminish environmental impacts, and make more efficient use of Oregon's transportation system. Transit program funds are primarily distributed to local service providers in three ways: (1) through a formula based primarily on service-area population, (2) through a formula

based on the number of rides given and miles traveled, and (3) through a biennial discretionary grant solicitation that combines the multiple sources of federal and state funding. The programs and activities supported by this Division are General Public Transit, Intercity Passenger Program, Public Transit Planning and Research, Enhanced Mobility/Special Transportation Fund, and Transportation Options.

Federal Funds for the Division come by way of grants from the Federal Transit Administration and the Federal Highway Administration. These sources are specifically for the intended programs. The Other Funds revenues are derived from Payroll Tax transfers from the ODOT Transportation Operating Fund, cigarette tax, Oregon I.D. card revenue and interest income.

The Subcommittee recommended a total funds budget of \$464,306,423, which includes \$650,000 Lottery Funds from the Veteran's Services Fund, \$318,402,800 Other Funds, \$145,253,623 Federal Funds, and 48 positions (47.88 FTE).

The Subcommittee recommended the following packages:

Package 081, June 2022 Emergency Board. This package includes \$3,333,333 Other Funds expenditure limitation, \$48,800,000 Federal Funds expenditure limitation, and seven permanent full-time positions (7.00 FTE), which is the 2023-25 biennial rollup costs from funding approved at the June 2022 meeting of the Emergency Board. The limitation will accommodate additional funding coming to ODOT through IJA. This funding supports equitable engagement and decision-making, climate change mitigation, and statewide connectivity and multimodal networks. In addition, it created two new programs, the Great Streets Program and the Innovative Mobility Program.

Package 102, Urban Mobility Strategy. This package increases Other Funds expenditure limitation by \$255,504 and establishes one full-time permanent Operations and Policy Analyst 3 position (0.88 FTE) to support immediate and long-term planning for and integration of public transit into the overall Urban Mobility Strategy, in an effort to relieve congestion and foster efficient and convenient use of public transportation.

Package 110, Veterans Rural Transportation Grant Program. This package provides on-going \$650,000 Lottery Funds to continue the Rural Veterans Healthcare Transportation Grant Program. The Lottery Funds come from the Veterans' Services Fund and are transferred from the Oregon Department of Veterans' Affairs to support ODOT's Public Transportation Division. A corresponding policy package for the revenue transfer was approved as part of the budget for the Oregon Department of Veterans' Affairs. The Division will administer grants to eligible transit agencies providing transportation for veterans living in rural areas to medical and service appointments. The grant program is assumed to be ongoing in future biennia.

Debt Service

ODOT's debt service program consists of a variety of bond programs implemented in the late 1990's as ODOT transitioned from "pay-as-you-go" to an agency that utilizes bonded revenue streams to finance priority projects.

General Fund Debt Service is associated with the State Radio Project and Highway Safety Improvement projects.

Other Funds Debt Service consists of payments on following: Revenue Bonds sold for Oregon Transportation Investment Act I, II, III; the Jobs and Transportation Act; House Bill 2017 (2017); Certificates of Participation issued for the DMV Building Refunding and the State Radio Project; and Article XI-Q General Obligation Bonds sold for the State Radio Project and the Transportation Building.

Lottery Bond Debt Service consists of payments on Lottery Bonds sold for the following major projects: Industrial Rail Spur Infrastructure; South Metro Commuter Rail; Southeast Metro Milwaukie Extension; ConnectOregon I, II, III, IV, V, VI and VII; Portland Street Car; the Coos Bay Rail Link; Harney County-Juntura Road; City of Portland-SW Capital Highway; Lane Transit District; and Salem-Keizer Transit.

The Subcommittee recommends a total funds budget of \$615,115,450, which includes \$16,930,280 General Fund, \$136,144,810 Lottery Funds, \$443,275,713 Other Funds expenditure limitation, and \$18,764,647 Federal Funds Nonlimited. There are no positions associated with this appropriation. The Subcommittee recommended the following package:

Package 801, LFO Analyst Adjustment. This package increases Other Funds expenditure limitation by \$61,922,580 to bring the budget into alignment with the anticipated debt service needs for the 2023-25 biennium, based on ODOT's bond sales in late 2022 and May 2023.

ODOT Administrative Services

The ODOT Administrative Services Division includes the Director's Office, Government Relations, Communications, Business Management, Audit Services, the Office of Equity and Civil Rights, and the Support Services Division. The Support Services Division includes the Information Services Branch, Human Resources, the ODOT Procurement Office, Facilities Services, Data Solutions, and the Office of Employee Safety. The Subcommittee recommended a budget of \$250,660,507 Other Funds expenditure limitation and 481 positions (472.22 FTE).

The Subcommittee recommended the following packages:

Package 081, June 2022 Emergency Board. This package includes Other Funds expenditure limitation of \$4,997,785 and nine permanent full-time positions (9.00 FTE), which is the 2023-25 biennial roll up costs from funding approved the June 2022 meeting of the Emergency Board. The limitation will accommodate additional funding received under IJA, providing resources for the following activities:

- \$3.4 million within the Office of Equity and Civil Rights to develop, implement, report, and monitor ODOT's performance delivering the Disadvantaged Business Enterprise program, Local Hiring Preference, and workforce development, training, and education. ODOT will also be launching a Community Workforce Agreement Program to address federal prioritization of contracting that meets high labor standards; and
- \$1.6 million for Department support positions and services necessary to manage the increase in recruitments and human resource functions, contract and procurement activities, information technologies, and employee safety.

Package 100, IIJA Project and Program Resourcing. This package increases Other Funds expenditure limitation by \$1,564,728 and establishes seven permanent full-time positions (5.75 FTE). The funding comes from the most recent congressional funding allocation for transportation known as IIJA and is utilized as Other Funds within ODOT. IIJA funding allotment from the federal government adds approximately \$200 million a year (across a five-year period from 2022 to 2027) to the existing ODOT federal formula-based funding to STIP.

This package will allow for additional staffing for the new work being launched as a result of these additional funds. ODOT is expected to add the following positions:

- | | | |
|--------------------------------------|---|--------------------------|
| 1 – Information Systems Specialist 8 | 2 – Procurement and Contract Specialist 3 | 1 – Program Analyst 3 |
| 1 - Human Resource Analyst 2 | 1 – Program Analyst 2 | 1 -- Safety Specialist 2 |

Package 101, Interstate Bridge Replacement. The states of Washington and Oregon are working together on plans to replace the aging I-5 interstate bridge with a modern, seismically resilient multi-modal structure offering improved mobility for people and freight. A core project team focused on administration, planning, and community engagement was approved in 2022. As approvals are sought, permitting continues, and more of the project plan is phased-in, additional resources are needed for coordination, pre-construction and construction activities. This package increases Other Funds expenditure limitation by \$115,653 and establishes one permanent full-time Procurement Specialist 3 position (0.50 FTE). The position will coordinate contracting and outsourcing initiatives including, but are not limited to, alternative delivery, public-private partnership agreements, social equity initiatives, procurement strategies serving historically disadvantaged potential contractors, and technology advancements supporting the Interstate Bridge Replacement program.

Package 102, Urban Mobility Strategy. This package increases Other Funds expenditure limitation by \$3,202,596 and establishes 14 permanent full-time positions (10.92 FTE).

The passage of House Bill 2017 (2017) committed funding to transportation projects throughout Oregon, including several large transportation projects in the Portland-Metro area. It also directed ODOT to pursue implementation of tolling on I-5 and I-205 in the Portland Metro area to manage traffic congestion and raise revenue for bottleneck-relief projects. While a two-year “pause” on tolling has been directed by the Governor and legislative leaders, ODOT still requires foundational research and planning of how such a program would be implemented. This package is expected to ensure ODOT’s Urban Mobility Strategy is appropriately linked with other related activities across the Department and will support the foundational work needed to facilitate planning, develop policies, analysis, and IT system design associated with congestion management and financing for projects. The following positions are expected to support this work.

- | | |
|---|-------------------------------------|
| 1 – Human Resource Analyst 3 | 4 – Information System Specialist 7 |
| 3 – Procurement and Contract Specialist 3 | 3 – Information System Specialist 8 |
| 1 – Manager 2 | 2 – Information System Specialist 7 |

Package 105, Small Business Development Program. This package increases Other Funds expenditure limitation by \$672,044 and establishes three permanent full-time positions (2.30 FTE). The positions would establish a Small Business Development Program in the Office of Social Equity & Office of Civil Rights. The positions would be responsible for coordinating, monitoring, providing outreach communications, and modifying, as needed, the public contracting code to increase public improvement contracting opportunities and contract awards to small businesses, Certification Office for Business Inclusion and Diversity (COBID) firms, BIPOC and women-owned businesses. Accompanying legislation (Senate Bill 1048) is required to implement the program.

Package 801, LFO Analyst Adjustments. This package shifts \$319,083 Federal Funds expenditure limitation to Other Funds expenditure limitation. The fund shift represents the appropriate cost allocation of an existing Information Technology Administrator position, where the position is ineligible for federal funding.

Package 803, Position Reclassifications. This package decreases Other Funds expenditure limitation by \$188,520 and reflects a net reduction of one position and (1.00 FTE). This package makes the following position adjustments:

- Abolishes one Operations and Policy Analyst 3 position,
- Reclassifies one Information Systems Specialist 4 position to an Information Systems Specialist 5, and
- Reclassifies one Information Systems Specialist 5 position to an Information Systems Specialist 6.

This package reflects the reclassification of positions to enable the Department to utilize existing position authority more efficiently, based on evolving responsibilities and project priorities.

Finance and Budget Division

The Finance and Budget Division manages the Department's financial resources, budget, economic-financial analysis, debt services, and statewide investment management services, and the Office of Innovative Funding. Some of the Division's main activities and services include, but are not limited to, developing STIP; accounting; payroll support; contractor payments; travel claims processing; financial training coordination and reporting; debt management; collection services; cost allocation; and billing. Budget Services produces the agency request budget. It also includes the Department's operational budget monitoring, position fiscal management, fiscal impact statements for the Legislature, business analysis coordination, cash management, maintenance management system, and claims against others. The Innovative Partnership Program, which works with the private sector and units of government to deliver new, innovative projects best serving the public interest, is part of the Office of Innovation. Recent projects include the Electric Vehicle Charging Network and the Oregon Solar Highway project. The Subcommittee recommends a total funds budget of \$81,652,427, which includes \$81,365,080 Other Funds expenditure limitation, \$287,347 Federal Funds expenditure limitation, and 119 positions and (118.50 FTE).

The Subcommittee recommended the following packages:

Package 081, June 2022 Emergency Board. This package includes Other Funds expenditure limitation of \$1,058,116 and four permanent full-time positions (4.00 FTE), which is the 2023-25 biennial rollup costs of funding approved at the June 2022 meeting of the Emergency Board. The additional limitation will accommodate ODOT's additional funding received through IJA, which generates workload related to funding obligations, development and execution of Inter-governmental agreements, monitoring of compliance with Federal Highway Administration rules and regulations, and onboarding new local agencies to become certified in delivery of federal aid projects.

Package 102, Urban Mobility Strategy. This package increases Other Funds expenditure limitation by \$146,002 and establishes one full-time permanent Accountant 3 position (0.50 FTE) to ensure the Urban Mobility Strategy is appropriately linked fiscally with other related activities across the Department. This includes developing financial data management policies and testing financial management systems as they relate to revenue collection and reporting.

Package 803, Position Reclassifications. This package increases Other Funds expenditure limitation by \$20,352, establishes a full-time permanent Program Analyst 4 position and abolishes a vacant Fiscal Analyst 3 position (no FTE impact). The changes are associated with an agency-wide effort to utilize existing position authority more efficiently, based on evolving responsibilities and project priorities.

DETAIL OF JOINT COMMITTEE ON WAYS AND MEANS ACTION

Oregon Department of Transportation
Michelle Lisper-- 971-283-6360

DESCRIPTION	GENERAL FUND	LOTTERY FUNDS	FEDERAL FUNDS				TOTAL ALL FUNDS	POS	FTE
			LIMITED	NONLIMITED	LIMITED	NONLIMITED			
2021-23 Legislatively Approved Budget at Jan 2023*	\$ 75,871,173	\$ 122,094,419	\$ 5,276,493,499	\$ 18,000,000	\$ 218,840,626	\$ 20,679,380	\$ 5,731,979,097	4,936	4,755.80
2023-25 Current Service Level (CSL)*	\$ 16,930,280	\$ 136,144,810	\$ 4,824,267,996	\$ 18,000,000	\$ 138,699,300	\$ 18,764,647	\$ 5,152,807,033	4,769	4,657.65
<u>SUBCOMMITTEE ADJUSTMENTS (from CSL)</u>									
SCR 100-20 - Maintenance									
Package 081: June 2022 Emergency Board									
Services and Supplies	\$ -	\$ -	\$ 9,231,721	\$ -	\$ -	\$ -	\$ 9,231,721		
Package 803: Position Reclassification									
Personal Services	\$ -	\$ -	\$ (141,768)	\$ -	\$ -	\$ -	\$ (141,768)	(3)	(1.21)
SCR 100-50 - Project Delivery & Support									
Package 081: June 2022 Emergency Board									
Personal Services	\$ -	\$ -	\$ 11,023,648	\$ -	\$ -	\$ -	\$ 11,023,648	40	40.00
Services and Supplies	\$ -	\$ -	\$ 258,560,548	\$ -	\$ -	\$ -	\$ 258,560,548		
Package 100: IJJA Project and Program Resourcing									
Personal Services	\$ -	\$ -	\$ 3,266,531	\$ -	\$ -	\$ -	\$ 3,266,531	13	11.44
Services and Supplies	\$ -	\$ -	\$ 280,621	\$ -	\$ -	\$ -	\$ 280,621		
Package 101: Interstate Bridge Replacement									
Personal Services	\$ -	\$ -	\$ 1,765,737	\$ -	\$ -	\$ -	\$ 1,765,737	6	6.00
Services and Supplies	\$ -	\$ -	\$ 141,259	\$ -	\$ -	\$ -	\$ 141,259		
Package 102: Urban Mobility Strategy									
Personal Services	\$ -	\$ -	\$ 5,157,417	\$ -	\$ -	\$ -	\$ 5,157,417	21	17.52
Services and Supplies	\$ -	\$ -	\$ 420,823	\$ -	\$ -	\$ -	\$ 420,823		
Package 109: ARPA Carry-over for Newburg Dundee Bypass									
Services and Supplies	\$ -	\$ -	\$ 19,000,000	\$ -	\$ -	\$ -	\$ 19,000,000		
Package 803: Position Reclassification									
Personal Services	\$ -	\$ -	\$ 295,810	\$ -	\$ -	\$ -	\$ 295,810	(1)	(0.08)
SCR 100-65 - Local Government									
Package 081: June 2022 Emergency Board									
Personal Services	\$ -	\$ -	\$ 573,554	\$ -	\$ -	\$ -	\$ 573,554	2	2.00
Services and Supplies	\$ -	\$ -	\$ 116,909,881	\$ -	\$ -	\$ -	\$ 116,909,881		
Package 100: IJJA Project and Program Resourcing									
Personal Services	\$ -	\$ -	\$ 241,234	\$ -	\$ -	\$ -	\$ 241,234	1	0.88
Package 803: Position Reclassification									
Personal Services	\$ -	\$ -	\$ 31,872	\$ -	\$ -	\$ -	\$ 31,872	0	0.00
SCR 200 - Driver and Motor Vehicle Svcs									
Package 801: LFO Analyst Adjustments									
Personal Services	\$ -	\$ -	\$ 14,572	\$ -	\$ -	\$ -	\$ 14,572	0	0.00
Package 803: Positions Reclassifications									
Personal Services	\$ -	\$ -	\$ 115,296	\$ -	\$ -	\$ -	\$ 115,296	0	0.50

DESCRIPTION	GENERAL FUND	LOTTERY FUNDS	FEDERAL FUNDS				TOTAL ALL FUNDS	POS	FTE	
			LIMITED	NONLIMITED	LIMITED	NONLIMITED				
SCR 300 - Commerce and Compliance Division										
Package 081: June 2022 Emergency Board										
Personal Services	\$	- \$	- \$	- \$	- \$	1,251,148 \$	- \$	1,251,148	7	7.00
Services and Supplies	\$	- \$	- \$	- \$	- \$	2,748,852 \$	- \$	2,748,852		
Package 801: LFO Analyst Adjustments										
Services and Supplies	\$	- \$	- \$	10,100,000 \$	- \$	- \$	- \$	10,100,000		
Package 803: Positions Reclassifications										
Personal Services	\$	- \$	- \$	(123,360) \$	- \$	- \$	- \$	(123,360)	0	(0.75)
SCR 400-10 - Policy, Data & Analysis Division										
Package 081: June 2022 Emergency Board										
Personal Services	\$	- \$	- \$	842,387 \$	- \$	- \$	- \$	842,387	3	3.00
Services and Supplies	\$	- \$	- \$	39,520,942 \$	- \$	- \$	- \$	39,520,942		
Package 100: IJJA Project and Program Resourcing										
Personal Services	\$	- \$	- \$	1,607,865 \$	- \$	- \$	- \$	1,607,865	7	6.40
Services and Supplies	\$	- \$	- \$	11,269,629 \$	- \$	- \$	- \$	11,269,629		
SCR 450 - Public Transportation										
Package 081: June 2022 Emergency Board										
Personal Services	\$	- \$	- \$	1,563,999 \$	- \$	- \$	- \$	1,563,999	7	7.00
Services and Supplies	\$	- \$	- \$	1,769,334 \$	- \$	- \$	- \$	1,769,334		
Special Payments	\$	- \$	- \$	- \$	- \$	48,800,000 \$	- \$	48,800,000		
Package 102: Urban Mobility Strategy										
Personal Services	\$	- \$	- \$	236,578 \$	- \$	- \$	- \$	236,578	1	0.88
Services and Supplies	\$	- \$	- \$	18,926 \$	- \$	- \$	- \$	18,926		
Package 110: Veterans Rural Transportation Grant Program										
Special Payments	\$	- \$	650,000 \$	- \$	- \$	- \$	- \$	650,000		
SCR 500 - Debt Service										
Package 801: LFO Analyst Adjustments										
Debt Service	\$	- \$	- \$	61,992,580 \$	- \$	- \$	- \$	61,992,580		
SCR 700 - ODOT Administrative Service										
Package 081: June 2022 Emergency Board										
Personal Services	\$	- \$	- \$	2,467,085 \$	- \$	- \$	- \$	2,467,085	9	9.00
Services and Supplies	\$	- \$	- \$	2,530,700 \$	- \$	- \$	- \$	2,530,700		
Package 100: IJJA Project and Program Resourcing										
Personal Services	\$	- \$	- \$	1,457,683 \$	- \$	- \$	- \$	1,457,683	7	5.75
Services and Supplies	\$	- \$	- \$	107,045 \$	- \$	- \$	- \$	107,045		
Package 101: Interstate Bridge Replacement										
Personal Services	\$	- \$	- \$	107,086 \$	- \$	- \$	- \$	107,086	1	0.50
Services and Supplies	\$	- \$	- \$	8,567 \$	- \$	- \$	- \$	8,567		
Package 102: Urban Mobility Strategy										
Personal Services	\$	- \$	- \$	2,958,296 \$	- \$	- \$	- \$	2,958,296	14	10.92
Services and Supplies	\$	- \$	- \$	244,300 \$	- \$	- \$	- \$	244,300		
Package 105: Small Business Development Program										
Personal Services	\$	- \$	- \$	622,263 \$	- \$	- \$	- \$	622,263	3	2.30
Services and Supplies	\$	- \$	- \$	49,781 \$	- \$	- \$	- \$	49,781		

DESCRIPTION	GENERAL FUND	LOTTERY FUNDS	FEDERAL FUNDS				TOTAL ALL FUNDS	POS	FTE
			LIMITED	NONLIMITED	LIMITED	NONLIMITED			
Package 801: LFO Analyst Adjustments									
Personal Services	\$ -	\$ -	\$ 319,083	\$ -	\$ (319,083)	\$ -	\$ -	0	0.00
Package 803: Positions Reclassifications									
Personal Services	\$ -	\$ -	\$ (188,520)	\$ -	\$ -	\$ -	\$ (188,520)	(1)	(1.00)
SCR 850 - Finance and Budget Division									
Package 081: June 2022 Emergency Board									
Personal Services	\$ -	\$ -	\$ 979,737	\$ -	\$ -	\$ -	\$ 979,737	4	4.00
Services and Supplies	\$ -	\$ -	\$ 78,379	\$ -	\$ -	\$ -	\$ 78,379		
Package 102: Urban Mobility Strategy									
Personal Services	\$ -	\$ -	\$ 135,187	\$ -	\$ -	\$ -	\$ 135,187	1	0.50
Services and Supplies	\$ -	\$ -	\$ 10,815	\$ -	\$ -	\$ -	\$ 10,815		
Package 803: Positions Reclassifications									
Personal Services	\$ -	\$ -	\$ 20,352	\$ -	\$ -	\$ -	\$ 20,352	0	0.00
TOTAL ADJUSTMENTS	\$ -	\$ 650,000	\$ 567,595,475	\$ -	\$ 52,480,917	\$ -	\$ 620,726,392	142	132.55
SUBCOMMITTEE RECOMMENDATION *	\$ 16,930,280	\$ 136,794,810	\$ 5,391,863,471	\$ 18,000,000	\$ 191,180,217	\$ 18,764,647	\$ 5,773,533,425	4,911	4,790.20
% Change from 2021-23 Leg Approved Budget	(77.7%)	12.0%	2.2%	0.0%	(12.6%)	(9.3%)	0.7%	(0.5%)	0.7%
% Change from 2023-25 Current Service Level	0.0%	0.5%	11.8%	0.0%	37.8%	0.0%	12.0%	3.0%	2.8%

*Excludes Capital Construction Expenditures

Legislatively Approved 2023 - 2025 Key Performance Measures

Published: 5/30/2023 12:27:36 PM

Agency: Department of Transportation

Mission Statement:

Our Mission: We provide a safe and reliable multimodal transportation system that connects people and helps Oregon's communities and economy thrive.

Our Values: These principles inform decision making and guide our behavior in working with each other, our partners and the communities we serve: Integrity: We are accountable and transparent with public funds and hold ourselves to the highest ethical standards. Safety: We share ownership and responsibility for ensuring safety in all that we do. Equity: We embrace diversity and foster a culture of inclusion. Excellence: We use our skills and expertise to continuously strive to be more efficient, effective and innovation. Unity: We work together as One ODOT to provide better solutions and ensure alignment in our work.

Legislatively Approved KPMs	Metrics	Agency Request	Last Reported Result	Target 2024	Target 2025
1. Traffic Fatalities and Serious Injuries Rate - Traffic Fatalities and Serious Injuries per 100 million vehicles miles traveled (VMT).		Approved	7.96	6.28	6.28
2. Pavement Condition - Percent of pavement centerline miles rated "fair" or better out of total centerline miles in the state highway system		Approved	89%	85%	85%
3. Bridge Condition - Percent of state highway bridges that are not "distressed"		Approved	78%	78%	78%
4. Public Transit Vehicle Condition - Percent of Public Transit buses that meet replacement standards		Approved	36.60%	40%	40%
5. Traffic Congestion - Number of Congested Lane Miles - Ratio of annual average daily traffic to hourly highway capacity		Approved	322	550	550
6. Passenger Rail Ridership - Number of state-supported rail service passengers.		Approved	67,147	178,638	180,424
7. Transit Rides - Average number of transit rides each year per Oregonian		Approved	23.70	32	32
9. Construction Projects On-time - The percentage of state administered projects that have satisfactorily completed all on-site work within 90 days of the baselined contract completion date		Approved	77%	80%	80%
10. Construction Projects On Budget - The percentage of projects for which total construction expenditures do not exceed the original construction authorization by more than 10%		Approved	97%	85%	85%
11. Disadvantaged Business Enterprise Utilization - Percent of ODOT Awarded Contracts to Oregon Disadvantaged Business Enterprises (DBEs)		Approved	11.52%	25%	25%
13. Customer Satisfaction - Percent of customers rating their satisfaction with the agency's customer service as "good" or "excellent": overall customer service, timeliness, accuracy, helpfulness, expertise, and availability of information.	Accuracy	Approved	85.40%	90%	90%
	Timeliness		85.40%	90%	90%
	Availability of Information		85.40%	90%	90%
	Helpfulness		85.40%	90%	90%
	Expertise		85.40%	90%	90%
	Overall		85.40%	90%	90%
8. Pedestrian and Bicycle Facilities Index - Percent of miles of ODOT priority pedestrian and bicycle corridors in fair or better condition and percent of miles of ODOT priority pedestrian and bicycle corridors that meet target crossing spacing.		Approved		49%	49%

Legislatively Approved KPMs	Metrics	Agency Request	Last Reported Result	Target 2024	Target 2025
12. DMV Service Index - The number of DMV service performance measures trending positive by meeting their goal		Approved		4	4
8. Bike Lanes and Sidewalks - Percent of urban state highway miles with bike lanes and pedestrian facilities in "fair" or better condition.		Legislatively Deleted	42%	52%	52%
12. DMV Field Office Wait Time - Percentage of DMV Field Office Customers Served within 20 Minutes		Legislatively Deleted	92.10%	60%	60%

LFO Recommendation:

The Legislative Fiscal Office recommends Key Performance Measures and targets as presented above. The LFO recommendation includes the following changes:

KPM #1 - Traffic Fatalities and Serious Injuries Rate: The target proposed by the agency for 2025 would have increased to 6.35 per 100 million vehicles miles traveled. LFO recommends maintaining the target at 6.28.

KPM # 5 - Traffic Congestion - LFO recommends a target of 550 lane miles for both 2024 and 2025 (the agency proposed a 2024 target of 580). While the agency far exceeded this target in 2022, it was likely a result of remote work policies enacted for employees during the pandemic. (For context, pre pandemic results were as follows: 2018 = 615; 2019 = 520).

KPM #8 - ODOT is proposing to replace the existing KPM 8 (percent of urban state highway miles with bike lanes and pedestrian facilities in "fair or better" condition) with a new KPM that rates the percentage of miles of pedestrian and bicycle corridors in fair or better condition, and that meet target crossing space. The existing measure is inadequate, because the roads being added to the state system are generally urban highways, while jurisdictional transfers result in improved areas moving out of the state system. By focusing on priority corridors, ODOT proposes to measure progress over time in places that have the highest degree of need for improvements based on risk, multi-modal usage, equity, and land use characteristics.

KPM #10 - ODOT has consistently exceeded its 80% target for construction projects completed on budget. Inflationary pressures are anticipated to show up in actual results for 2023 and 2024, but the Legislative Fiscal Office recommends increasing the target from 80% to 85% for the 2024- and 2025 reporting years.

A new KPM 12 is proposed to reflect additional service models at DMV, including call centers, on-line appointments, and self-service options. In addition to field office wait time (service within 20 minutes), the new KPM will also measure call center response, the time it takes to receive a title, and the percentage of customers who complete transactions using self-service, via a 1-5 rating system indicating the extent to which each factor is meeting or exceeding its individual performance goal. By collecting data in multiple areas, DMV will have a better idea of the particular areas in which service may be lagging, so focus efforts and resources can be focused in an area that may need additional attention.

SubCommittee Action:

The Subcommittee approved the Key Performance Measures as recommended by the Legislative Fiscal Office.