



CITY OF BEND

August 25, 2025

Joint Interim Committee on Transportation Funding
Oregon State Capitol
900 Court Street NE
Salem, Oregon 97701
RE: Support for Transportation Funding Package LC 2

Dear Co-Chairs Senator Wagner and Representative Fahey, Co-Vice Chairs Senator Bonham and Representative Drazan and Members of the Joint Interim Committee on Transportation Funding:

The City of Bend supports the Special Session Transportation Package LC 2; passing a transportation budget fix now is a necessary but short-term solution.

Bend, and our fellow Central Oregon communities, rely on the Oregon Department of Transportation for critical maintenance and operations to keep our residents and visitors safe and to keep traffic and goods flowing. Our cities face unsustainable pressure on our local transportation systems due to growing populations, declining gas tax revenue, disappearing federal grants, and increased costs of maintenance and projects. With limited ways to raise local revenue, we need the state to be a full partner in ensuring our shared transportation system is safe and reliable for everyone.

Though this funding package is not the complete solution Oregonians need, the City of Bend supports it for the following reasons:

- It maintains the traditional—and critical—50/30/20 split that sends half of state highway dollars to counties (30%) and cities (20%). That means half of what Oregonians pay in new revenue can be used for operations and maintenance on our local city and county streets.
- The framework also modestly increases funding for local transit agencies like Cascades East Transit here in Central Oregon and simplifies weight-mile rates for the freight industry.
- Importantly, there will be new accountability measures for ODOT. Public dollars flowing through one of our largest state agencies must be spent efficiently and transparently. Requiring new performance audits, greater legislative oversight on major projects, and direct accountability of ODOT's director to the Governor is a start.

Many questions will remain even after passage of this near-term solution. It does not fund many key state programs cities have historically used to increase safety on our local roads, like the Safe Routes to School, Great Streets, and Community Paths programs. We need a strong commitment from the Governor and the Legislature to commit to finding long-term solutions for funding these programs. Additionally, none of the revenue generating taxes and fees proposed are indexed to inflation, setting us up for future shortfalls when costs inevitably increase but revenue does not.

As a state, we must figure out how to properly fund our transportation system over the medium and long-term. Oregonians deserve a safe, well-maintained transportation system whether they are driving up a mountain pass or down the road to the grocery store. Bend will continue to do its part to fund our local transportation system and the state needs to do its part too. Without action now, safety and travel reliability across Oregon will suffer.

I urge you to pass this funding package.

Sincerely,

Melanie Kebler, Mayor

