

August 25, 2025



Chairs Wagner & Fahey, Vice Chairs Bonham & Drazen, and Members of the Committee:

On behalf of the City of Grants Pass, I am writing to express our support for LC 2. Maintaining and improving our transportation system is essential, not only for the mobility and safety of our residents, but also for the economic vitality of our region and the entire state.

Cities like Grants Pass depend on the State Highway Fund (SHF) to maintain our transportation networks. Currently, Grants Pass receives approximately \$3 million/biennium from SHF allocations. These revenues are critical to the upkeep of our streets, traffic signals, sidewalks, and other essential infrastructure. Past investments made possible through SHF have included the Allen Creek Road improvements project, Willow Lane reconstruction and yearly overlay projects to maintain the infrastructure we already have.

The State Highway Fund is primarily funded by fuel taxes, weight-mile taxes, and vehicle registration fees. Revenues are distributed based on a longstanding formula: 50% to the state, 30% to counties, and 20% to cities. This ensures that local governments have dedicated funding to maintain the vast majority of Oregon's road network, which is essential for daily commerce, emergency response, school transportation, and safe travel within our communities. Without consistent SHF distributions, cities like Grants Pass would struggle to keep pace with growth, safety demands, and economic development opportunities.

LC 2 provides a critical starting point to address the growing demands placed on our aging infrastructure. Under the proposed framework, cities across Oregon will collectively see additional SHF, ensuring that communities have the resources they need to maintain safe, reliable roads. For Grants Pass, the projected increase in funding under LC 2 would grow our annual SHF allocation by close to \$1 million—a transformative increase that would allow us to better serve our residents, businesses, and visitors.

Transportation investments spur economic development, promote public safety, and enhance the quality of life for all Oregonians. In Grants Pass, our transportation network supports not just residents but also tourism, commerce, and emergency response. With the passage of LC 2, we can continue investing in overlay projects to improve the condition of our roadways now and in the future. Increased funding will also help fund projects like the Hillcrest Drive improvements, Foothill and Agness round-a-bout, Lincoln Road improvements and eventually the 4th Bridge crossing the Rogue River.

We urge your support for LC 2 and the critical investments it represents for cities across Oregon.

Thank you for your leadership and commitment to securing a stronger, safer, and more connected future for all Oregonians.

Respectfully,

Aaron Cubic
City Manager, City of Grants Pass