



CITY COUNCIL

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August 26, 2025

Senator Rob Wagner, Co-Chair
Representative July Fahey, Co-Chair
Senator Daniel Bonham, Co-Vice Chair
Representative Christine Drazan, Co-Vice Chair
Members of the Joint Interim Committee on Transportation Funding
Oregon State Capitol
900 Court Street NE
Salem, Oregon 97301

Dear Joint Interim Committee on Transportation Funding, Co-Chair Senator Rob Wagner, Co-Chair Representative Julie Fahey, and Members of the Committee.

I'm writing on behalf of the Salem City Council in support of the Legislature's intent to address the State of Oregon's transportation funding crisis.

The City of Salem fully supports efforts to diversify and increase transportation funding to support efficient and effective operations and maintenance of existing infrastructure. We stand in support of swift action to stave off the State's transportation funding crisis because:

- Most road miles in Oregon are under local control. Maintaining the funding formula that shares State Highway Fund revenue is critical for infrastructure funding. This system ensures that taxpayers from all communities see and benefit from their local share of transportation funding.
- The primary funding source for road maintenance is the City of Salem's monthly allocation of State Highway Fund revenues.
- In the State Highway Fund, where gas taxes and car registration fees are collected to pay for road maintenance, revenue is not keeping pace with rising maintenance costs.
- Roadway conditions in Salem are deteriorating and available resources are not adequate to meet current needs.

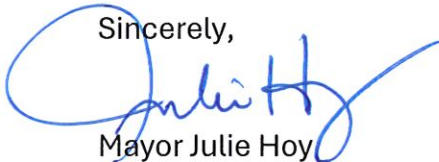
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- In the next five years, by Fiscal Year 2029, Salem runs out of maintenance funding for our road system.
- This funding deficit will worsen without adding any resources to address demands for increased service levels based on population growth, safety, and other community expectations.

Adoption of the Special Session Transportation Budget package gives the Legislature more time to create a meaningful, bipartisan, and transparent process that leads to a long-term package stabilizing and modernizing core transportation funding.

Sincerely,



Mayor Julie Hoy
City of Salem

cc: Salem Legislative Delegation