



# Operations, Maintenance, and Preservation

Transportation Workgroup One Report Out

# Transportation Workgroup 1

## Maintenance, Preservation, and Operations

DATE: January 16, 2025

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### Overview

#### What is the problem?

Transportation funding is facing a crisis due to a combination of factors: The traditional reliance on fuels tax is becoming less sustainable as vehicles become more fuel-efficient and electric vehicles become more prevalent. This decrease in



revenue, paired with inflation-induced rise in construction costs, places immense pressure on existing transportation funding mechanisms.

Transportation maintenance, operations, and preservation efforts are crucial because they keep roadways operating daily and extend the lifespan of existing infrastructure preventing more costly projects in the future. Funding these efforts can also help prevent catastrophic failures that could significantly disrupt economic activity and daily life. All levels of government in Oregon (state, county, and city) departments of transportation engage in the maintenance and preservation of Oregon roadways, and all levels are experiencing historic funding shortfalls.

The message to Workgroup 1 was repeated across all listening tours: without funding reform Oregon will continue to see a decline in the safety, reliability and quality of its transportation system. Roads will not be plowed and cleared timely, accidents will take longer to clean up to restore traffic activity, DMV hours will be reduced, more graffiti and trash will be alongside the roadways, and simple fixes and patches to maintain roadway infrastructure that could prevent much more costly projects will simply not be done.

The main objective of Workgroup 1 was to address a decades-old issue: how can Oregon diversify, fortify, and protect the funding that supports these vital, daily efforts?

## Workgroup Process

Transportation experts from various sectors gathered to form Workgroup 1 (membership in Appendix A), which focused on getting the state **back to basics, funding transportation maintenance, preservation, and operations functions** across the state.

The group met five times between October and December 2024. The objective was to build from the public comments heard through the transportation listening tours the spring and summer of 2024, and after a series of presentations and robust discussion, provide recommendations and insight into investments and associated funding mechanisms to the Joint Committee on Transportation. The co-chairs asked the workgroup members to embed the values of safety, environment, and equity into their findings. At the end of the workgroup, workgroup members took a survey to identify the most important investments and rate revenue options (survey results in Appendix B). The survey findings and workgroup presentations and discussions are the basis of this report.



## Workgroup Recommendations

Below are key insights that learned in the workgroup presentations and discussion, as well comments received from the workgroup survey which are summarized below.

### ***Safety***

- The basis of safety is maintaining the roads we have and preserving the investment Oregon has already made in its transportation system. As one survey respondent said:

*We are concerned about the deteriorating condition of Oregon's roads, bridges and other transportation infrastructure. A safe transportation system capable of serving the travel demands of people and the movement of goods and services is fundamental to the development and prosperity of communities. Prioritizing investments in maintenance and preservation is critically important to the safety of Oregonians.*

- The day-to-day work at all levels of government are the backbone of a daily functioning system that is safe for all users. As survey respondent commented:

*Maintaining ODOT staffing levels to respond to accidents, incident trucks, snow plowing/deicing and repairing barriers after crashes and filling potholes*

### ***Equity***

- Investing in roads is an equity investment, ensuring that from rural to urban settings, people and businesses can get to jobs, schools, and needs. A quote from a survey respondent:

*A key takeaway for legislators is that consistent and sufficient funding for maintenance and preservation directly impacts equity, safety, and environmental outcomes. Well-maintained infrastructure ensures safe and reliable access for workers and customers, particularly in underserved areas that depend on equitable transportation access. Additionally, preservation reduces the environmental costs of larger rebuild projects by extending the life of existing assets, aligning with sustainability goals. For businesses, reliable infrastructure is essential to ensuring efficient operations and workforce mobility. Prioritizing these investments fosters economic stability and community resilience.*

- Maintain the funding formula (50% to state, 30% to counties, 20% to cities) to ensure that all of Oregon has reliable roads. As a survey respondent commented:

*Legislators must understand that while ODOT needs dominate the narrative and discussion, the legislature is also effectively the primary rate setting authority for local*



*governments – especially counties who are almost exclusively dependent upon the 50-30-20 allocation of the State Highway Fund for maintenance, operation, and capital construction. The primary enemy of our transportation system is inflation. If funding source development does not match the rising costs of maintenance and preservation materials, then invariably conditions will deteriorate to a costly point at which maintenance is no longer an option. An investment in maintenance and preservation is an investment in safety, is an investment in equity, and if performed at the right time in the asset life cycle – proper maintenance investment can have significantly less environmental impact than the alternative.*

## **Environment**

- Roads that are well maintained lead to less bottlenecks and congestion. As one survey respondent said:

*In terms of maintenance and preservation, it is important to make sure that we are not just covering up problems with cheaper solutions (chip seal, etc.) but investing in the means that extend the life of the assets for as long as possible. The longer the roads/bridges are preserved and maintained, the greater the safety benefits will be realized for users on the system. In addition to safety benefits, better maintained roads will help overall congestion and will lead to less emissions from idling on roads and highways.*

- Roads in working condition allow for better emergency response. A quote from the survey:

*...As just one (of many) reasons that maintenance and preservation advances equity, safety and environmental benefits is wildfire. Wildfire is a given--not a matter of if, but when. Lack of maintenance puts rural residents at risk (inequitable), reduces firefighting capability if these areas are not accessible (safety) and more acreage is likely to burn if access is a problem (environmental benefits).*

## **Funding**

The most recommended short-term revenue streams were:

- Increasing fuels tax
- Increasing base and enhanced light vehicle title fees
- Increasing enhanced passenger registration fee
- Increasing plate manufacturing fee

The most recommended long-term revenue streams were:

- Fuels tax indexing
- Vehicle road usage charge
- EV charging fees



- Rental car fees

To ensure that money was dedicated to operations, maintenance, and preservation, workgroup members recommended:

- A fix it first policy (major projects cannot go forward until roads are proven to be maintained and preserved at a certain level)
- Limit the number of major projects the state takes on.
- Indexing revenues to account for inflation.
- Maintaining the 50/30/20 split of the State Highway Fund

## What We Learned: Background of Transportation Maintenance, Operations, and Preservation

### At the State Level

From its fifty percent apportionment from the State Highway Fund, the Oregon Department of Transportation (ODOT) funds most of its debt service, projects, maintenance, operations, and preservation. Fully funding the last three (maintenance, operations, and preservation) was the focus of Workgroup 1.

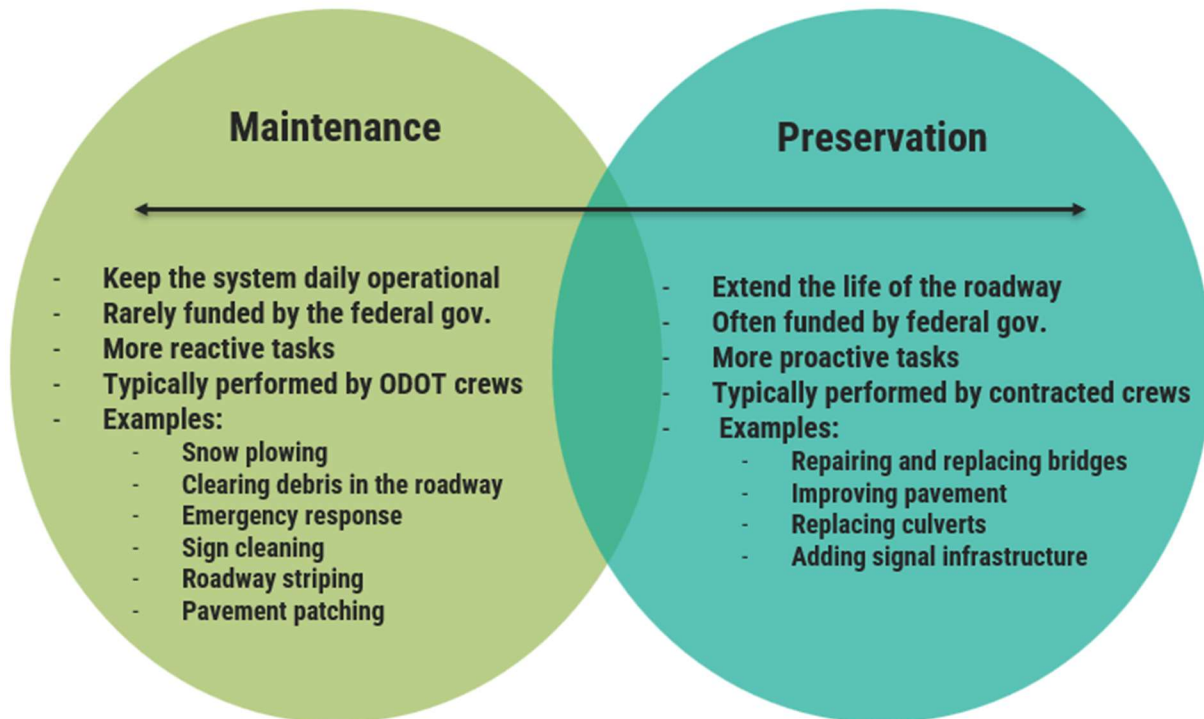
In its agency request budget, ODOT identified a budget gap of \$354 million for the 2025-2027 biennium, with about 1,000 positions at risk of being eliminated. The agency stressed that even if the budget gap was addressed, the state would still see a decline in current service levels that would have a direct impact on the day-to-day operations of roadway facilities. More funding than just addressing the formal budget gap was needed.

The focus of the Governor's Requested Budget (GRB), delivered on December 2, 2024, was shoring up maintenance, operations, and preservation efforts. The budget did not include an increase in investment for transit or projects; it focused solely on shoring up the service levels of maintenance, operations, and preservation efforts. The minimum to restore services for the state (ODOT), improve safety, and preserve roads was identified as \$1.75 billion a biennium more in additional funding.

Below are brief overviews of the differences between maintenance, preservation, and operations that were presented to the workgroup, alongside the budgetary ask in the GRB.



## Maintenance



Maintenance and preservation efforts are more on a spectrum than binary variables. On one end, maintenance activities are typically performed by ODOT crews, tend to be more reactive tasks (i.e. cleaning a roadway after windstorm), and heavily focused on the day-to-day tasks of keeping the roadway clear and available for use. Maintenance efforts include pavement patching, sign cleaning, snowplowing, roadway striping, and emergency/incident response.

The clear difference between maintenance and preservation work is that maintenance very rarely receives any federal funding or support. Federal dollars almost exclusively focus on capital construction projects. Because the state has to use its own dollars to match the federal money that comes to Oregon, the money reserved for maintenance and operational activities is highly vulnerable when the budget becomes tight.

However, day-to-day maintenance tasks are what keeps Oregon’s economy moving: trucks to the port, goods delivered to businesses, people to work, and children to school. Clear roads in daily good condition are the backbone of Oregon’s economic



vitality. And as the costs of projects increase, the day-to-day services of Oregon roads becomes more at risk of funding shortfalls.

### ***Preservation***

On the other end of the spectrum, preservation efforts are largely performed by contractors, tend to be more proactive tasks (i.e. replacing a bridge), and focus on extending the life of the roadway. These activities include repairing and replacing bridges, improving pavement, replacing culverts, and adding signal infrastructure. Steady funding in preservation efforts helps avoid much more costly mega-projects in the future.

Unlike maintenance and operations, preservation efforts can be awarded federal grants or other funds if they qualify. However, like maintenance, as the costs of major projects increase and State Highway Fund dollars lose purchasing power, funding preservation efforts becomes more at risk.

### ***Operations***

State agency operations include staff, contracts, and supplies to perform more regulatory functions, such as Department of Motor Vehicles (DMV) services and the Commerce and Compliance Division (which oversees heavy trucks and railroads), as well as shared services functions (IT, HR, procurement, facilities, etc.).

Some operational costs are recovered by fee programs, but the bulk of the expenditures are reliant on the balance of the State Highway Fund after all statutory obligations have been met. Like maintenance, operational costs are not typically subsidized or supported by the federal government.

## **At the County Level**

Counties oversee more Oregonian roads than any other government level, and the vast amount of their operations are funded by the State Highway Fund. Like the state, the counties are facing the same cost increases for contracts and materials, and the same revenue shortfall in the State Highway Fund. Inflation has eroded any revenue gains from the last transportation package. Counties estimate that over the next five years, there will be a 59 percent annual shortfall, and they will need an additional \$834 million a year to meet their obligations.

Counties own half of the bridges in Oregon but are burdened with 77 percent of those that are structurally deficient. Almost 1,000 bridges are now restricted for





heavy trucks. Further, almost 22% of motor fatalities occurred on county roads, and more investment is needed to make county roads safer.

## At the City Level

Like the state and counties, cities too are experiencing a transportation funding crisis. And like counties, the vast amount of cities (especially smaller ones) are highly dependent on revenues received from the State Highway Fund. Revenues haven't kept pace with inflation, increasing weather events have added significant costs, and road conditions continue to deteriorate, with 45 percent of city roads in poor or fair condition. Further, city transportation needs are very connected to the state's livability challenges, and city transportation officials have to fund projects to clean graffiti, deal with abandoned vehicles and RVs, and otherwise keep city roads free of trash and in functional order.

## Workgroup Needs Recommendations

### Needs Identified in the Governor's Requested Budget

#### Safety Investments:

- Investment in All Roads Transportation Safety (ARTS) program. The program focuses on statewide critical locations to reduce fatalities and injuries by bicycle and pedestrian system projects, illumination projects, safety corridor enhancements, etc.
- Safety investments in rumble strips, that reduce crashes by 45 percent.
- Funding pedestrian crossing projects and speed settings.

#### Preservation Investments:

- Replacing bridges, focusing first on those in poor and serious condition (which includes bridges with timber foundations)
- Paving interstates and priority highways to meet minimum federal requirements, this includes:
  - Region 1 - US26, OR35, OR8, US30BY, OR99E
  - Region 2 - US101, OR126, US20 between Newport and Corvallis, OR22, US26, OR99E, OR99W, US30
  - Region 3 – US101, OR99, OR42, OR62 and OR140
  - Region 4 – US97, US20, OR126, US26, OR140
  - Region 5 – US730, US20, US395, US95



- Replacing and rehabilitating culverts in poor or critical condition
- Replacing aging signal and electronic equipment

**Operational investments:**

- For DMV operations:
  - Restoring DMV's base budget and reversing cuts made in previous biennia
  - Supporting DMV field office services to reduce office closures and cut customer wait times
  - Improving DMV call centers to reduce call hold times
  - Automating processing systems for driver and vehicles
  - Investing in DMV service and operational improvements (includes overhaul of website, improving customer experience, etc.)
- For Commerce and Compliance Division operations:
  - IT investments to replace old COBOL IT systems
  - Ensuring trucks are safe by replacing safety and enforcement infrastructure, including Intelligent Transportation Systems and scales
- Other agency operations:
  - Restoring 560 positions in project delivery, administrative services, and finance and budget that would otherwise be cut
  - IT investments to meet enterprise requirements and move off outdated technology
  - Facility investments to repair or replace buildings in very poor condition
- Restoring budgetary ending balance that was eliminated in the last budget cycle.

**Maintenance investments:**

- Restoring 414 maintenance employees that would otherwise be cut
- Increasing staff and resources for road, bridge and traffic maintenance
- Adding incident responders
- Funding for graffiti and litter cleanup
- Shoring up ODOT's fleet that is beyond its useful life
- Investing in operational support for maintenance and operations (this includes roof repair, wireless radios, and building a maintenance management system to track asset performance).



## Needs of Cities and Counties

Counties are asking for more funding to stabilize current service levels and address long-standing roadway issues. County funding asks are broken into three categories:

- Capital construction (shortfall of 70 percent)
- Pavement preservation (shortfall of 60 percent)
- Maintenance, repairs, and operations (shortfall of 44 percent)

For a more in-depth look at county requests, see the [Association of Oregon's 2024 County Road Study](#).

Like their county counterparts, cities would like the state to retain the 50/30/20 split of the State Highway Fund to continue to care for the Oregonian roads in their jurisdictions.

## Other Needs Identified in the Workgroup

Below are other needs that were not in the GRB request but were brought by members of the workgroup and/or legislative members. The programs below are funded by the State Highway Fund.

### *Great Streets Program*

**What is It?** The program looks at the holistic system (roadway, bicycle facilities, pedestrian infrastructure, intersections, lighting, etc.) of a high-priority community or corridor, and investments focus on safety, equity, and climate outcomes. The program creates more complete streets and a safer, multimodal transportation system and can help facilitate transfer of roads to local governments that are better able to manage the road.

**What's the need?** ODOT estimates it needs an additional \$45 million a year.

### *Jurisdictional Transfers*

**What is It?** Jurisdictional transfers (or "orphan highways) are roads that are owned by the state but are more vital to local access. Local governments and ODOT decide on the terms of the transfer. Some roads need more investment before they move to local oversight. Many identified Great Streets investments could facilitate jurisdictional transfers



**What's the need?** The Jurisdictional Transfer Advisory Committee developed a list of jurisdictional transfer candidates to receive funding. Its last report included \$80.6 million in investments.

### ***Wildlife Crossings***

**What is It?** Wildlife-vehicle collisions have significant impacts to the safety of our system. ODOT and Oregon Department of Fish and Wildlife (ODFW) completed the Wildlife Corridor Action plan to identify priority locations to increase driver safety and protect Oregon's wildlife.

**What's the need?** ODOT estimates it needs an additional \$5 million a year to build overpasses, underpasses, and fencing.

### ***Freight Safety***

**What is It?** Freight moves through Oregon in two ways: truck and rail. Truck freight safety includes increasing parking supply so that drivers can rest for safety in designated areas. Rail freight safety includes adding signs, gates, and lights at rail intersections where there is an 80% fatality rate for crashes in Oregon.

**What's the need?** ODOT estimates it needs an additional \$8 million a year.

## **Funding**

### **How Oregon Currently Funds Maintenance, Operations, and Preservation**

Three major pillars feed into the constitutionally-created State Highway Fund:

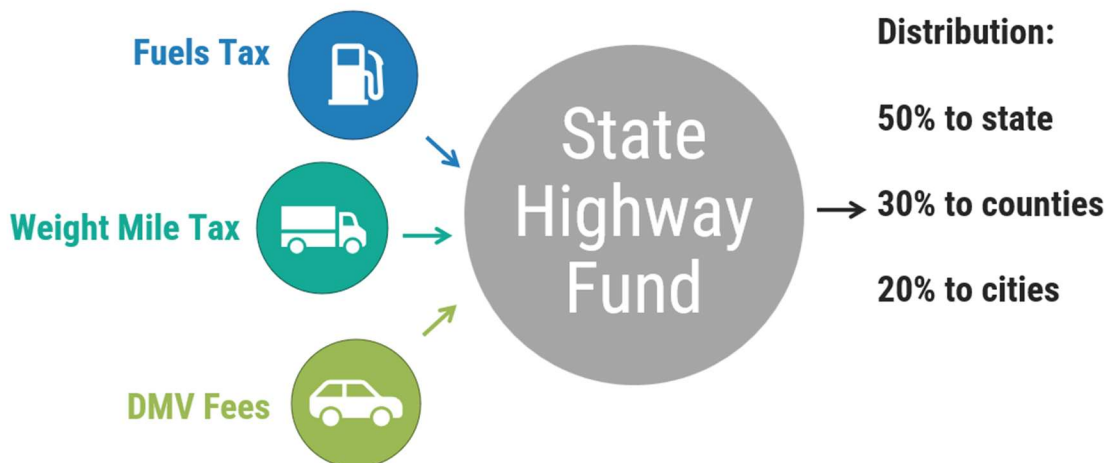
- 1) Fuels taxes
- 2) Weight mile taxes (for heavy trucks); and
- 3) DMV fees (title, license, and vehicle registration fees).

By statute (ORS 366), the State Highway Fund distributes revenues according to formula (approximately):



- 50 percent to the state
- 30 percent to counties (distributed according to vehicle registrations)
- 20 percent to cities (distributed according to population)

A number of programs come “off the top” of the State Highway Fund and are not part of the distribution formula. For example, HB 2017 set aside \$15 million annually for the Safe Routes to School program and \$30 million for ODOT’s Urban Mobility Strategy projects.



The State Highway Fund distribution formula means that any increases to the State Highway Fund will go to all levels of government. It also means that when the State Highway Fund constricts, all levels of government feel the pinch.

The distribution formula also requires any state-level requests from the State Highway Fund be doubled. The Governor requested an additional \$1.75 billion a biennium for ODOT in the GRB; therefore, the legislature would need to raise \$3.5 billion a biennium to go into the State Highway Fund to meet that request if the statutory funding formula remains intact.

## Workgroup Funding Recommendations

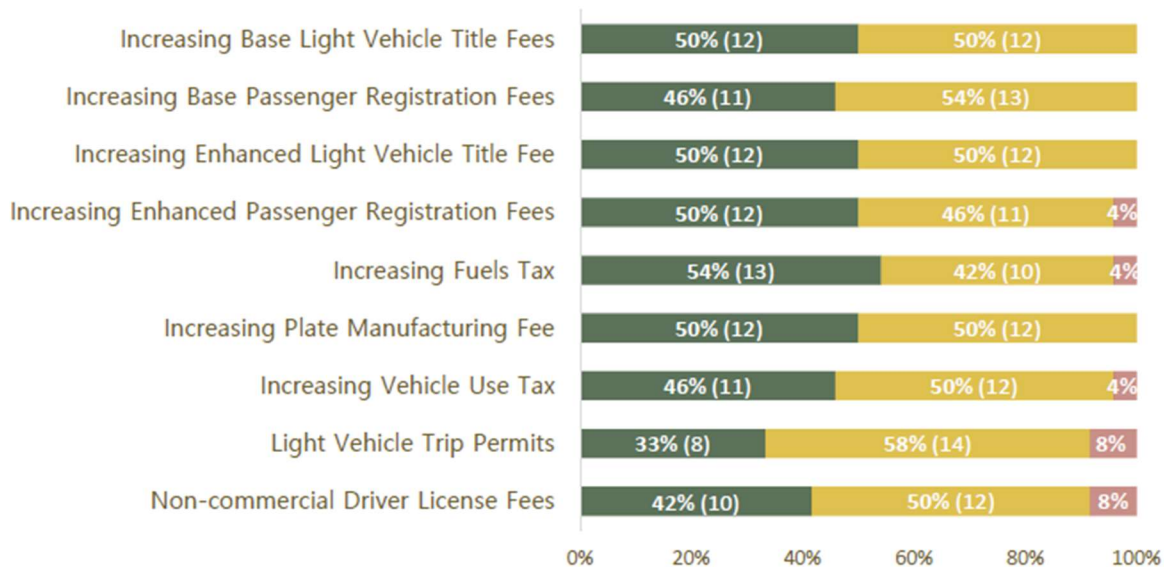
### *Short-Term Funding Options*

Short Term funding options would raise revenues for the State Highway Fund in a shorter amount of time, meaning that it would not take long for state government



to create or enhance the funding mechanism. Pulling some of these levers might be necessary because of ODOT's immediate budgetary shortfall.

In the survey administered in December, we asked workgroup members to rate each short-term revenue stream as green light (would support), yellow light (would support with conditions), and red light (would not support). The bar chart below shows the ranking of short-term revenue streams. The chart along with workgroup comments can be found in Appendix B.



Below is an overview of each of the mechanisms we asked workgroup members to rank.

Short-Term Funding Mechanism	Description	Current Rate	Pros	Cons
<b>Raising Fuels Tax</b>	Fuel tax on gasoline is collected at the point of first sale. Fuel tax on diesel is collected at the pump.	\$0.40/gallon	<ul style="list-style-type: none"> <li>• Very efficient to administer</li> <li>• Significant short-term yield</li> </ul>	<ul style="list-style-type: none"> <li>• Unsustainable revenue source</li> <li>• Doesn't capture EV's</li> </ul>
<b>Raising Base Passenger Registration</b>	Registered owners pay a per-year registration fee at DMV in 2 year cycles	\$43/year	<ul style="list-style-type: none"> <li>• Significant short-term yield</li> <li>• Captures all road users</li> <li>• Easy to administer</li> </ul>	<ul style="list-style-type: none"> <li>• Flat revenue source</li> <li>• Everyone pays the same regardless of use</li> </ul>



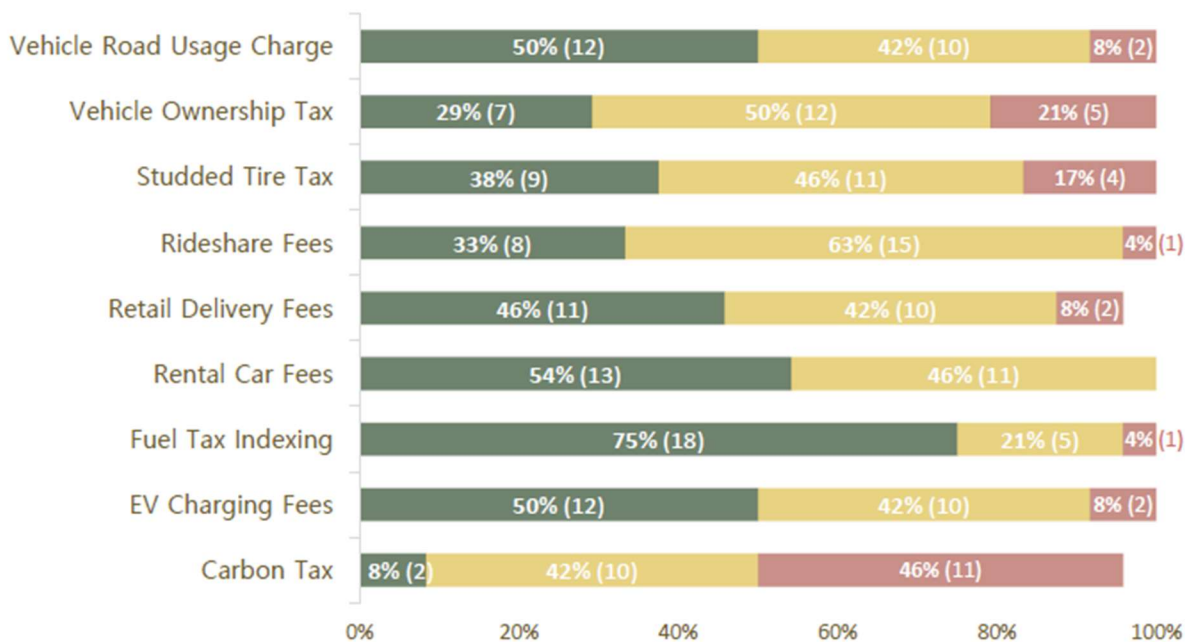
Short-Term Funding Mechanism	Description	Current Rate	Pros	Cons
<b>Enhanced Passenger Registration</b>	Registered owners pay a per-year registration fee in 2 year cycles based on MPG of their vehicle.	<b>0-19 MPG:</b> \$20/year <b>20-39 MPG:</b> \$25/year <b>40+ MPG:</b> \$35/year <b>EVs:</b> \$115/year	<ul style="list-style-type: none"> <li>• Significant short-term yield</li> <li>• Captures all highway users</li> <li>• Ability to adjust for different MPGs</li> </ul>	<ul style="list-style-type: none"> <li>• Flat revenue source</li> <li>• Everyone pays the same regardless of use</li> </ul>
<b>Base Light Vehicle Title</b>	Pre-transaction fee when vehicle is purchased and titled (new and used)	\$77	<ul style="list-style-type: none"> <li>• Easy to administer</li> </ul>	<ul style="list-style-type: none"> <li>• Flat revenue source</li> <li>• Everyone pays the same regardless of use</li> </ul>
<b>Enhanced Light Vehicle Title</b>	Pre-transaction fee when vehicle is purchased and titled (new and used) based on MPG of vehicle	<b>0-19 MPG:</b> \$24/year <b>20-39 MPG:</b> \$29/year <b>40+ MPG:</b> \$39/year <b>EVs:</b> \$115/year	<ul style="list-style-type: none"> <li>• Easy to implement</li> <li>• Ability to adjust for different MPGs</li> </ul>	<ul style="list-style-type: none"> <li>• Flat revenue source</li> <li>• Everyone pays the same regardless of use</li> <li>• Customers struggle to pay correct fee</li> </ul>
<b>Non-Commercial Driver License</b>	Per-transaction fee with renewals every 8 years for a standard Class C license	<b>Original:</b> \$64 <b>Renewal:</b> \$54	<ul style="list-style-type: none"> <li>• Easy to administer</li> <li>• Current fees aren't covering cost</li> </ul>	<ul style="list-style-type: none"> <li>• Cyclical revenue source</li> <li>• Lower yield potential</li> </ul>
<b>Plate Manufacturing Fee</b>	Fee for when license plates are first manufactured	<b>Single:</b> \$13 <b>Double:</b> \$26	<ul style="list-style-type: none"> <li>• Easy to administer</li> <li>• Reasonable yield</li> </ul>	<ul style="list-style-type: none"> <li>• Flat revenue source</li> <li>• Potentially sensitive to price increases</li> </ul>
<b>Light Vehicle Trip Permits</b>	Fee is charged as needed for unregistered vehicles to be on public roadways	<b>Light Motor Vehicle:</b> \$35	<ul style="list-style-type: none"> <li>• Easy to administer</li> </ul>	<ul style="list-style-type: none"> <li>• Relatively flight/declining revenue source</li> <li>• Low yield potential</li> </ul>
<b>Vehicle Use Tax</b> <i>(Dependent on changes to Vehicle Privilege Tax)</i>	Fee is charged upon initial title of new vehicles purchased out of state	<b>0.5% of vehicle purchase price</b>	<ul style="list-style-type: none"> <li>• Easy to administer</li> <li>• Increasing revenue source (3% a year)</li> </ul>	<ul style="list-style-type: none"> <li>• Low yield potential</li> <li>• Small amount of transactions</li> </ul>

### ***Long-Term Funding Options***

Long-term funding options would raise revenues for the State Highway Fund, but the ramp up time to realize these revenues may be longer. In many cases, the revenue source does not currently exist so state government would have to build it. However, many revenue streams listed below would help transportation funding recover over the years as fuel taxes continue to decline.



In the survey administered in December, we asked workgroup members to rate each long-term revenue stream as green light (would support), yellow light (would support with conditions), and red light (would not support). The bar chart below shows the ranking of long-term revenue streams. The chart along with workgroup comments can be found in Appendix B.



Below is an overview of each of the mechanisms we asked workgroup members to rank.

Long-Term Funding Mechanism	Description	Pros	Cons
<b>Road Usage Charge (VMT or RUC)</b>	Would require vehicles exceeding certain MPG ratings to pay per-mile in lieu of fuels tax or enhanced registration fees	<ul style="list-style-type: none"> <li>Mitigates decline in fuels tax</li> <li>Provides greater parity</li> <li>Enhances sustainability</li> </ul>	<ul style="list-style-type: none"> <li>More complex to administer</li> <li>Untested at scale</li> <li>Evasion could be an issue</li> <li>More costly to collect than fuels tax</li> </ul>
<b>Fuels Tax Indexing</b>	Would tie Oregon's fuel tax rate to an index to adjust for inflation.	<ul style="list-style-type: none"> <li>Efficient to administer</li> <li>Significant short term yield</li> <li>Mitigates impacts of inflation</li> <li>Ability to set floor and ceiling</li> </ul>	<ul style="list-style-type: none"> <li>Doesn't capture EV's</li> <li>Still susceptible to fleet conversion</li> <li>Construction inflation often exceeds CPI</li> </ul>
<b>Retail Delivery Fees</b>	Per-order (or per-mile) fee for retail delivery services.	<ul style="list-style-type: none"> <li>Moderate revenue potential</li> </ul>	<ul style="list-style-type: none"> <li>Could be regressive</li> <li>Based on sales tax systems in other states</li> </ul>





Long-Term Funding Mechanism	Description	Pros	Cons
<b>Rideshare Fees</b>	Fee issued per rideshare ride	<ul style="list-style-type: none"> <li>• Captures EV vehicles with high VMT</li> </ul>	<ul style="list-style-type: none"> <li>• Could be regressive to certain parts of the state</li> <li>• Not a significant revenue source</li> <li>• Competes with local rideshare taxes</li> </ul>
<b>Carbon Tax</b>	Carbon tax applied to all fossil fuels	<ul style="list-style-type: none"> <li>• Efficient administration</li> </ul>	<ul style="list-style-type: none"> <li>• It's the fuels tax called another name</li> <li>• Susceptible to fleet conversion</li> </ul>
<b>Electric Vehicle Charging Tax</b>	Tax on per kilowatt-hour on public charging stations	<ul style="list-style-type: none"> <li>• Relatively easy to administer</li> </ul>	<ul style="list-style-type: none"> <li>• Not very significant source of revenue</li> <li>• Doesn't cover private charging</li> <li>• Could curtail state's efforts to reduce carbon emissions</li> </ul>
<b>Rental Vehicle Tax</b>	Tax charged during rental car transactions	<ul style="list-style-type: none"> <li>• Likely paid by non-Oregonians</li> <li>• More inflation resilient</li> </ul>	<ul style="list-style-type: none"> <li>• Influenced by changes in economic activity</li> <li>• Competes with local rental tax</li> </ul>
<b>Studded Tire Tax</b>	A tax on the purchase or installation of studded tires	<ul style="list-style-type: none"> <li>• Provides revenue to mitigate pavement damage</li> </ul>	<ul style="list-style-type: none"> <li>• Low revenue yield</li> <li>• Declining use of studded tires</li> </ul>
<b>Vehicle Ownership Tax</b>	Tax on the consumer for the purchase of a new and/or used vehicles	<ul style="list-style-type: none"> <li>• Significant revenue potential</li> <li>• Closely mirrors privilege tax</li> <li>• More inflation resistant</li> <li>• Rates can be tied to specific vehicle characteristics</li> </ul>	<ul style="list-style-type: none"> <li>• Non-dealer sales pose administrative challenges</li> <li>• Influenced by economic activity</li> </ul>

*\*The group also discussed impact fees (or System Development Charges), but these are mainly local sources of transportation revenue, not state.*



## Appendix A: Workgroup 1 Membership List

NAME	AFFILIATION
Ana Molina	Oregon Just Transition Alliance
Anthony Castaneda	SEIU 503
Bill Bradley	Amalgamated Transit Union
Brett Morgan	Climate Solutions
Brian Vitulli	Tillamook County Transportation District
Brian Worley	Association of Oregon Counties
Cassie Wilson	1,000 Friends of Oregon
Chris Carpenter	Ironworkers Local 29
Chris Doty	Deschutes County Road Department
Chris Hewitt	LIUNA - Oregon & Southern Idaho
Cindy Robert	Jackson County
Corie Harlan	Central Oregon Land Watch
Deanna Palm	Washington County Chamber of Commerce
Don Loving	Amalgamated Transit Union
Erik Zander	Oregon Trucking Association
Heather Harter	Klamath County Chamber of Commerce
Kevin Campbell	AAA
Kim Curley	Commute Options
Kirsten Adams	Associated General Contractors
Kristopher Fortin	Oregon Environmental Council
Kyle Carpenter	La Grande Public Works Department
Larry Gescher	HP Civil Inc.
Lee Beyer	Oregon Transportation Commission
Liz Nichols	Cement Masons Local 555
Lorne Bulling	Ironworkers Local 29
Lyle Mordhorst	Polk County Commission
Marie Dodds	AAA
Marilyn Smith	Albany City Council
Mark Gibson	Oregon Trucking Association
Mark Lear	Portland Bureau of Transportation
Phillip S.D. Worth	Kittelson & Associates, Inc
Richie Mayes	
Rob Zako	Better Eugene Springfield Transportation
Sarah Iannarone	The Street Trust
Sharla Moffett	Oregon Business & Industry
Travis Kinney	David Evans & Associates

# Appendix B: Survey Responses

A dark blue, semi-transparent image of the Oregon State Capitol building, showing its central dome and classical architectural details. The building is centered in the background of the page.

## Joint Committee on Transportation Workgroup One Survey Results



## About this Report

This report contains responses from the **Workgroup Group One Survey: Back to Basics, Maintenance and Preservation**. The qualitative responses are not summarized nor analyzed; they are reported verbatim and lightly edited to correct spelling and punctuation errors where needed for clarity. Workgroup members' level of support for revenue sources are summarized in charts.

The survey was administered online using the Qualtrics platform. A copy of the survey instrument is included in the appendix. Survey links were emailed to all members of the workgroup on December 6<sup>th</sup> and remained open for data collection until December 31<sup>st</sup>. The response rate was 67%, with 24 of 36 workgroup members completing the survey.

### Staff

Monica Cox, LPRO Research Analyst

### Oregon State Legislature

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## Needs of Maintenance and Preservation

**Based on our workgroup discussions, what do you believe is one key takeaway need in maintenance and preservation that you would like legislators to know? Please reflect in terms of how it advances equity, safety, and/or environmental benefits.**

1. We need to be focused on preservation of our infrastructure and safety for all. Keeping asphalt and bridge work in the forefront. Eliminating bottlenecks for all modes of travel understanding freight is a necessity for economic balance.
2. We need to address the basic O&M budget gaps - and also invest in meaningful infrastructure improvements for a multimodal system that centers safety, climate, and equity.
3. Ensure adequate funding for Oregon's safe and seamless surface transportation system. Maintain the 50/30/20 formula distribution that supports ODOT, Counties, and Cities operations, maintenance, preservation, and safety. Incorporate diverse and modern funding mechanisms to ensure the growth and stabilization of the State Highway Fund (SHF). Reduce barriers to local revenue sources.
4. We are concerned about the deteriorating condition of Oregon's roads, bridges and other transportation infrastructure. A safe transportation system capable of serving the travel demands of people and the movement of goods and services is fundamental to the development and prosperity of communities. Prioritizing investments in maintenance and preservation is critically important to the safety of Oregonians.
5. While maintenance and preservation of the State transportation system is vital for all Oregonians, the new transportation package needs to make progress in creating a balanced system that is multimodal in nature.
6. A key takeaway for legislators is that consistent and sufficient funding for maintenance and preservation directly impacts equity, safety, and environmental outcomes. Well-maintained infrastructure ensures safe and reliable access for workers and customers, particularly in underserved areas that depend on equitable transportation access. Additionally, preservation reduces the environmental costs of larger rebuild projects by extending the life of existing assets, aligning with sustainability goals. For businesses,



reliable infrastructure is essential to ensuring efficient operations and workforce mobility. Prioritizing these investments fosters economic stability and community resilience.

7. In terms of maintenance and preservation, it is important to make sure that we are not just covering up problems with cheaper solutions (chip seal, etc.) but investing in the means that extend the life of the assets for as long as possible. The longer the roads/bridges are preserved and maintained, the greater the safety benefits will be realized for users on the system. In addition to safety benefits, better maintained roads will help overall congestion and will lead to less emissions from idling on roads and highways.
8. Legislators must understand that while ODOT needs dominate the narrative and discussion, the legislature is also effectively the primary rate setting authority for local governments – especially counties who are almost exclusively dependent upon the 50-30-20 allocation of the State Highway Fund for maintenance, operation, and capital construction. The primary enemy of our transportation system is inflation. If funding source development does not match the rising costs of maintenance and preservation materials, then invariably conditions will deteriorate to a costly point at which maintenance is no longer an option. An investment in maintenance and preservation is an investment in safety, is an investment in equity, and if performed at the right time in the asset life cycle – proper maintenance investment can have significantly less environmental impact than the alternative.
9. Maintaining ODOT staffing levels to respond to accidents, incident trucks, snow plowing/deicing and repairing barriers after crashes and filling potholes
10. This needs to be our number one priority. The economy cannot move without safe roads. This needs to be addressed asap.
11. Simply put, because we have so much new to do, we absolutely must take care of (maintain) what we have or it'll cost more later.
12. Maintenance and preservation are predominantly funded by the Metro region and rural areas are the beneficiaries of these dollars. We need to better explain that to residents across the state.
13. This work group was biased against preservation and maintenance as funding for any auto-related purposes was viewed negatively. The key takeaway should be: Oregonians



are going to drive, 82% of Oregonians drive to work. They expect their infrastructure to be maintained and preserved, which shouldn't need further explanation. Another takeaway is that the state should aim to meet the needs and expectations of 90% of Oregonians rather than the agendas of niche Portland nonprofit advocates who advocate for a small percentage of the population. As just one (of many) reasons that maintenance and preservation advances equity, safety and environmental benefits is wildfire. Wildfire is a given--not a matter of if, but when. Lack of maintenance puts rural residents at risk (inequitable), reduces firefighting capability if these areas are not accessible (safety) and more acreage is likely to burn if access is a problem (environmental benefits).

14. We need to maintain what we have. Deferred maintenance costs us all more in the long run. This advances safety and mobility.
15. Oregon faces many funding needs. The Governor recently reiterated her priorities: housing and homelessness, behavioral health, and education. Even focusing on just transportation, SAFETY is arguably a higher priority than preservation: the life of people vs. the "life" of pavement. Following USDOT guidance, the 603 traffic deaths in 2022 should be viewed as having an economic cost of \$7.5 billion — far in excess of other transportation costs being discussed. EQUITY demands balancing who benefits with who pays — and who can afford to pay. Lastly, failing to address climate change could result in natural disasters that wash away any other investments we might make. An acceptable path forward needs to address all of these issues as a package.
16. The current financial situation will lead to ongoing dramatic reductions in services for the state, counties, and cities without a significant and immediate increase in funding.
17. In recent years, ODOT has reduced staffing levels across the Operations and Delivery Division and begun outsourcing work to the private sector with varying results and costs. Reductions in on-the-ground ODOT staff and service levels create potentially fatal risks for the travelling public when services are most needed. On one hand, barebone ODOT crews struggle to respond to extreme weather events, traffic incidents, reroute vehicles after an accident, and clear debris/hazardous material from roads. On the other, reductions have major implications for the travelling public and a true economic cost when ODOT does not have the staffing levels needed to respond to whatever is thrown at the crews. With a potential to raise revenue and sustain funding, ODOT must commit





to building its workforce through workforce development programs, retain skilled staff, and bring essential maintenance and preservation work back to the agency.

18. Maintaining and improving our current highway, bridge and road systems will be crucial. This will help improve transportation efficiency and safety for community members who rely on the existing highway and road system in their everyday lives.
19. The state and local jurisdictions are so desperately in need of maintenance and preservation dollars that it's challenging to invest in meaningful infrastructure improvements for safety, climate, and equity until basic budget gaps are addressed. Accountability policies prioritizing operations and maintenance over capacity expansion, requiring greenhouse gas analysis on major projects, and transportation governance reform are ways we can ensure Oregon taxpayer dollars are responsibly invested.
20. Inadequate funding is directed to system operations and maintenance. The increasing gap and delay in addressing this threatens the safety of all users and workers, as well as the efficiency and resilience of the system. Deferred maintenance will lead to higher costs for taxpayers in the future.
21. The most important consideration is safety for all road users. Roads need to be preserved and maintained to last as long as possible, using construction design, materials, and methods that keep all modes of traffic moving safely and comfortably.
22. The state and local jurisdictions are so desperately in need of maintenance and preservation dollars that it's challenging to invest in meaningful infrastructure improvements for safety, climate, and equity until basic budget gaps are addressed. Accountability policies prioritizing O&M over capacity expansion, requiring greenhouse gas analysis on major projects, and transportation governance reform are ways we can ensure Oregon taxpayer dollars are responsibly invested and maintenance and preservation are prioritized.
23. State and Local Agency maintenance forces are tasked with maintaining an aging inventory with ever increasing demands. I'd like for the legislators to know that as maintenance is strained with reduced budgets they are forced to make the difficult decision of reducing services that'll impact the public's mobility. There isn't an equitable or safe way to address these reductions as rural and often disenfranchised populations are in proportionately impacted.



24. Maintenance and operations have reached a crisis point and we have to do something or risk billions of dollars of lost infrastructure investments. An increase in transportation revenue is absolutely essential and use of funds should be limited to maintenance and operations efforts at state and local levels. 50/30/20 must be maintained. Roads may have different ownerships, but we all go to the same payers for funds so we must share and work on transportation network together.

### **How do we make sure we have enough resources in the State Highway Fund dedicated to preservation and maintenance?**

1. There needs to be a balance of dedicated funds for maintenance/preservation and new projects. It all starts with safe roads and bridges from economy to commuting, in a gas burning or electric car we need safe roads and adequate parking.
2. Move forward with a fix-it-first policy. Prioritize the funding of preservation and maintenance over road capacity expansions. Set clear delineations for resources for maintenance projects that prevent transferring those funds to expansion projects.
3. Support a fix it first, operations, maintenance, and safety by maintaining the 50/30/20 funding formula distribution that supports ODOT, Counties, and Cities' seamless transportation system. Because of significant highway construction inflation, indexing traditional State Highway Fund taxes and fees will bring significant sustainability to the transportation system.
4. 1. Preserving the constitutional provisions and framework that ensure the State Highway Fund is dedicated to highway preservation, maintenance, and construction across the state is of utmost importance. Safety must remain the overriding priority in all decisions related to the fund's use. Any diversion of these funds for other purposes will significantly undermine the ability to achieve the essential goals of the State Highway Fund. 2. To strengthen the fund's ability to meet growing transportation needs while maintaining safety, it is crucial to explore opportunities to increase revenue through strategies such as indexing the gas tax or identifying new, equitable revenue sources. At the same time, aligning investments with safety and efficiency objectives and pursuing cost savings through operational efficiencies will maximize the fund's impact and ensure it continues to serve its intended purpose effectively.



5. By indexing existing revenue sources such as the fuel tax, weight mile tax, vehicle registration fees, and the road usage charge to more appropriate levels, as well as tapping into new revenue sources such as retail delivery fees and ride share fees.
6. Prioritize Dedicated Funding: Advocate for a balanced, equitable, and politically viable mix of investments, ensuring a specific percentage of transportation-related revenue (e.g., gas taxes, vehicle registration fees) is allocated directly to preservation and maintenance efforts to make these activities a funding priority. Adjust Revenue Streams: Explore a sustainable and politically feasible approach to adjusting revenue streams, such as indexing the gas tax to inflation or implementing road usage charges, to address the decline in fuel tax revenues caused by increased fuel efficiency and electric vehicle adoption. This ensures the funding mix supports long-term infrastructure needs while remaining equitable and gaining public support.
7. Preserving the constitutional provisions and framework to ensure that the State Highway Fund are able to be used for highway preservation, maintenance and construction throughout the state is paramount. Any dilution of the State Highway Fund for additional purposes will significantly decrease the ability to accomplish the goals and purpose of the State Highway Fund. There is a need to increase the amount of revenue going into the State Highway Fund through indexing of the gas tax or new revenue raising means.
8. The state must prioritize and commit to funding maintenance at a level necessary to sustain conditions and index that funding to inflation. This is Asset Management 101; above all else, maintain what you have constructed. It is said that a camel is a horse that is designed by committee. Now picture a camel with 15 humps – this is ODOT. Each hump represents a funding bucket that is specifically allocated to a program or project or something - that while wonderfully intended – has the unintended consequence of becoming the agency's number one priority. If funding for each contrived program must be spent on the thing to which it is bound, then maintenance and preservation of the system has no higher priority than constructing new wildlife overcrossings, building new recreational trails, or spending millions of additional dollars through use of Project Labor Agreements on ODOT projects. Does ODOT need significantly more funding to maintain and operate its portion of the transportation system? Absolutely. Is that number \$1.8 billion? Absolutely not. It would be a missed opportunity to throw more money at the



problem without recognizing that ODOT has experienced such significant mission creep that its primary responsibility – maintaining, operating and preserving the existing system - has been lost in the narrative as ODOT attempts to be everything to everyone. The agency needs a full structural reset to allow for true and transparent prioritization of available resources.

9. Listen to ODOT budget preparers and explore the details.
10. Mandate that's where future spends go prior to projects.
11. That's the million(s) dollar question. It simply has to be a legislative priority, even though maintenance isn't "sexy" like new projects are.
12. Increase taxes on gas and vehicle registration to actually fund what is needed. While that is a difficult political position, I'm not really sure how else you solve the problem of not having enough money without raising revenue.
13. Calibrate gas tax collections to meet the need and adjust to the slowly diminishing returns. With just 100,000 EVs on the road, this is a slower decline than has been described (not a cliff). ODOT investing in heavy duty EVs is a poor investment. These vehicles cost three times as much and there is no charging infrastructure for them.
14. We need to make all users of the system pay for the system and we will need to implement indexing.
15. Abraham Lincoln famously said, "In this age, in this country, public sentiment is everything. With it, nothing can fail; against it, nothing can succeed." We need to better help taxpayers and their representatives in the Legislator understand the ongoing cost to sustain our existing transportation system. The public should be presented with, say, three long-term preservation scenarios (low, middle, and high spending), showing both the short- and long-term benefits and costs of each scenario. Presumably, the low spending scenario is penny wise but pound foolish, actually costing more in the long run. Presumably the high spending scenario is just wasteful, prematurely preserving pavement that still has much remaining life.
16. Increase and index revenue for the State Highway Fund to be allocated based on the 50/30/20 revenue sharing agreement. To ensure accountability, continue to require reporting on pavement condition and serious injuries and fatalities.



17. This assumes that the goal is to raise revenue to reestablish ODOT's key functions. First, ODOT needs to develop an inventory detailing the agency's staffing and fleet/material needs for the next several biennia to maintain high quality service levels. This timeline needs to run alongside RUC implementation while accounting for dwindling State Highway Fund revenue. In other words, ODOT needs to move away from cutting from the bottom, delaying investments in new fleet vehicles/staff or reducing services to remain afloat. Second, while the State Highway Fund could hold the 50/30/20 split, without new revenue or a statutory change to the flow of funds, the agency will continue to struggle to maintain services levels, especially in rural service districts. ODOT's Maintenance and Delivery Division maintains over 8,000 of roads across the state, but the Division only receives one dollar for every two dollars raised through the State Highway Fund. ODOT's M&D Division may need its own dedicated revenue stream to make up for 50/30/20 split.
18. Explore a mix of potential revenue options that could help augment and stabilize the current State Highway Fund, including an electric vehicle per-mile tax and perhaps some kind of reasonable fee associated with vehicle purchases. Consideration of these approaches should be mindful of the potential impact on working Oregonians and look to implement in a way that is equitable.
19. Prioritize the funding of preservation and maintenance over road capacity expansions by enshrining a fix-it-first policy into law. Prevent the moving around of money from maintenance projects to expansion projects.
20. Near-term, three actions must be taken. Direct a larger percentage of the ODOT budget to O&M, increase the state gas tax (possibly doubling it), and indexing the tax to the annual Construction Cost Index. Also, increase the fees paid by electric vehicle owners to make the funding equitable for all users. Long-term, implement a road user charge based on vehicle miles traveled for all vehicles to supplement and ultimately replace the gas tax.
21. By generating sustainable funding through fees that reflect the cost of their impact on the road system and indexing increases to the cost of living. Those resources need to be equitably shared with cities and counties, where most of the lane miles of heavily-traveled roads are.



22. Prioritize the funding of preservation and maintenance over road capacity expansions by enshrining a fix-it-first policy into law. Prevent the moving around of money from maintenance projects to expansion projects.
23. Funds for preservation and maintenance should be separated from capital improvement projects. The funds dedicated to preservation and maintenance should be tied to the present value and condition of all the assets in the inventory. For example, the more assets that are being maintained and the poor condition of those assets will require higher levels of funding to adequately maintain and preserve.
24. Be bold and ask for increases needed to save state and local government programs. Do not take money off the top for projects - all should go to SHF.

**Were there any key maintenance and preservation needs that were not discussed in this workgroup? What were they? (Write N/A if you believe all preservation and maintenance needs were covered in the workgroup)**

1. N/A
2. Wildlife crossings: At least \$5M annually is needed for wildlife crossings - this is key for safety and preventing the loss of life. Also, creation and maintenance of new, off-street multiuse paths.
3. Oregon is 52% federally owned land. Access to public lands is critical to Oregon's economy. The loss of federal forest funding has not allowed county road departments to provide adequate and safe operations, maintenance, and preservation services to these critical roads and bridges. Additionally, the need for the preservation of bridges and roads for seismic and natural disaster resilience impacts, particularly in rural areas, was not covered extensively in this workgroup. For more urban cities and counties with pedestrian facilities, the cost of ADA compliance triggered by major maintenance was also not significantly addressed.
4. While mentioned briefly during the workgroup meetings, winter weather maintenance is imperative to keep all road users safe and the flow of goods moving during winter weather events.
5. N/A
6. N/A



7. The group could have benefitted from a more technical analysis of the means and methods of highway maintenance and preservation. With such a broad range of backgrounds in workgroup members, it would have been beneficial to have industry experts and ODOT explain the costs and benefits to different cost/benefit analyses of different methods of maintenance and preservation.
8. N/A
9. There appeared to be a lack of understanding of Culverts there their impact on the roadways when not repaired.
10. n/a
11. I think they were covered adequately.
12. N/A
13. A deeper understanding of cost drivers. ODOT's presentations have a tendency to explain everything as really expensive and lots more money is needed or there will be layoffs. I never got a sense for why. Is Oregon more expensive than other jurisdictions?
14. The most important ones were covered.
15. To date, the discussion has focused on the preservation needs of the state highway system. We have heard some discussion of the needs for country roads, and a bit about city roads. All of these are primarily focused on the needs of people and businesses who drive. But roughly a quarter of all Oregonians do not drive, whether due to age, ability, income, or legal status. We need a transportation that serves all Oregonians, not merely three-quarters of them.
16. N/A
17. A missing topic from the workgroup is the 2,500 workers who make the ODOT gears turn. This is a highly skilled and technical workforce across the maintenance and preservation programs. With little to no consideration for workforce recruitment and retention, workforce training for young workers, upward career mobility, or workplace safety along highways, ODOT will be unable to meet our state's future needs. It's critical that ODOT develop a plan to recruit and retain skilled staff, leading to savings and accountability for taxpayer dollars. For example, maintaining a fleet of road maintenance vehicles is not cheap, especially with inflation. ODOT's heavy commercial vehicles cost no



less than a quarter of a million dollars, and staff mechanics service the fleet frequently to use the heavy vehicles for as long as possible. Currently 38% of the fleet is past its recommended service life and this is projected to increase to 49% by July 2027. The Salem Fleet Repair Facility is what makes this possible. ODOT workers have the skills to laser cut their own parts with advanced technology and repair vehicles in days, rather than waiting weeks, months, and sometimes almost a year to order parts from a manufacturer. ODOT could invest in programs like the Highschool to ODOT program to attract workers and retain talent. The key to success is to ensure that ODOT is offering full-time or seasonal roles with health and retirement benefits for these programs, especially in the fire and ice.

18. N/A

19. Currently the state has extremely limited funding for the creation of new multiuse paths (off-street), and no long-term funding source to maintain them over time. The state also needs to ensure the ADA curb ramp liability is fully funded and that those funds are protected. Additionally, \$5M annually is needed for wildlife crossings. More could have been discussed around electrification infrastructure, as it is a core component to making electric vehicle adoption accessible and reaching the state's greenhouse gas reduction goals. Relevant programs that could have discussed include the Community Charging Rebates Program and the National Electric Vehicle Infrastructure (NEVI) Program.

20. Retrofitting the system with adequate pedestrian crossing facilities (including signing, striping, lighting, and appropriate protection) in rural and urban communities is needed to reduce the frequency and severity of crashes involving pedestrians.

21. N/A

22. Currently the state has extremely limited funding for the creation of new multiuse paths (off-street), and no long-term funding source to maintain them over time. The state also needs to ensure the ADA curb ramp liability is fully funded and that those funds are protected. Additionally, \$5M annually is needed for wildlife crossings.

23. N/A

24. N/A... Though after initial meeting where info was provided by LOC & AOC, all subsequent presentations focused on the needs and numbers for ODOT...we are not





going to be able to pass another package soon, so make sure ALL the maintenance and preservations needs we heard are front of mind.

### **In your mind, what would a balanced multi-modal transportation system look like?**

1. All bridges meeting load carrying capabilities. Bottlenecks addressed to keep freight, commuters, tourists moving and first responders' quick access to emergency services and reduce emissions. Roadways and paving in good condition for safe traveling for all modes of travel. Adequate parking for trucks, cars, buses, RVs and motorcycles.
2. A balanced multi-modal transportation system would be safety first, climate forward, fair, and accountable. Complete, convenient and safe systems for non-car users that is on level with existing car-focused systems. Includes: 1) Moving fair, sustainable and long-term revenue solutions forward. Fair and sustainable funding incentivizes cleaner, safer transportation choices; is progressive and assigns burdens/benefits equitably; and reinvests in the comprehensive, complete transportation system we need. That means considering revenue tools that: charge more for heavy, oversized, or highly emitting vehicles; charge based on the amount someone drives; reduce relative costs for low-income people and account for geographic differences, including rural and tribal communities; raise funds that aren't required to be used on roads; raise or dedicate funds for a specific purpose, program, or project 2) Increasing funding for oversubscribed multimodal transportation programs; 3) Ensuring geographic equity in funding and investments; and 4) Using an integrated transportation, housing and climate lens to guide policy and funding decisions in order to maximize benefits for Oregonians and our communities.
3. A multimodal system is best achieved by supporting local infrastructure and local routes. Maintain the 50/30/20 formula distribution that supports ODOT, Counties, and Cities' seamless surface transportation system. A multimodal system prioritizes commerce on major roads and neighborhood livability; incorporates complete street improvements and prioritizes connectivity for all modes of transportation.
4. We urge a comprehensive approach to transportation system planning that includes all modes and all stakeholders with the shared goal of meeting the public's actual transportation needs and preferences. The transportation system plan must recognize



the differing transportation needs of Oregonians in urban and rural settings and integrate a model that is adaptive and responsive. Further, a balanced multi-modal transportation system will necessitate that all users in the system pay their fair share.

5. Enhanced transit services statewide offering more frequency and wide spans of service supported by robust bicycle and pedestrian facilities. The public would have various transportation options available to them other than the private automobile. Traveling by transit would be a first mode chosen by travelers, rather than the last.
6. A balanced multi-modal transportation system supports economic growth by ensuring efficient freight movement and reliable last-mile connectivity for businesses. It enhances workforce mobility with accessible and affordable transit options, while also integrating sustainable solutions like bike lanes, pedestrian pathways, and EV infrastructure. Seamless transitions between modes and investments in smart technologies improve efficiency, benefiting businesses and communities alike. Public-private collaboration ensures priorities are aligned with both economic and community needs.
7. For a truly balanced, multi-modal transportation system, we need to continue to observe a user-pay system for all modes of transportation. For new projects or programs, the users of the system need to pay their fair share. The State Highway Fund needs to be preserved for its constitutional purposes.
8. A balanced multi-modal system provides facilities and services in areas where alternative mode use (or potential for use via mode shift) justifies the expenditure. This places a higher priority for investment within the transportation systems under the jurisdiction of local government. Continuance of the 50-30-20 allocation formula of the State Highway Fund allows for more effective planning and investment by local government in the safety and the diversification of a multi-modal transportation system.
9. Maintain the priority highways first and fund transit to a usable level. Attention should be paid to safe routes to schools and commuter-oriented bikeways
10. Key word is system. It would look at areas and regions vs individual roads. A road doesn't have to do everything if the system can accomplish it.
11. The scary part financially is that public transit is imperative to whatever model people want, and we may need to pony up more state resources given the new federal administration.



12. While we have to transition to a better multi-modal system, there needs to be a clear understanding of the fact that blue collar workers have to drive to work in many cases as transit doesn't get them to a rotating job site or the hours are not the usual 9-5.
13. Balance is not the best word to describe our transportation system because it implies that we should invest equally in all modes. Multi-modal is good. Pedestrian safety is critical. However, Oregonians primarily drive. Many aren't riding transit and aren't interested in riding transit. Tri-Met's ridership began dropping in 2015, so this trend isn't about Covid. The state highway trust fund should be preserved for its constitutional purposes for allocated appropriately based on what benefits most Oregonians.
14. Again, all USERS pay for the system. We spend too much on active transportation. I recognize it is an important part of the system, however, it seems it is at the expense of the payers of the current system, or at the least, a reduction for those users through lane reconfiguration etc.
15. A balanced multi-modal transportation system would result in more balanced mode splits. As this discussion is making clear, it will be hard for Oregon to afford to maintain the roads we have, even in the narrow economic sense. But as discussed above, safety, equity, and climate change considerations all point to needing to plan and invest for more people taking more trips without driving alone.
16. A balanced multi-modal transportation system is a transportation network that integrates various modes of travel – such as walking, cycling, public transit, cars, and freight – so that people and goods can move efficiently, safely, equitably, and sustainably.
17. A balanced multi-modal transportation system would be safety first, climate forward, fair, and accountable. It means streets that youth can cross safely to school, where older adults can get their daily exercise, people using mobility devices can get everywhere they need to go, and transit gets you there and back on time. A multi-modal transportation system would ensure that every dollar delivers on our climate and air quality goals while expanding safe, financially sustainable, and well-maintained transportation choices for all Oregonians. Safety First: eliminate serious injuries and deaths; investing in protections for the most vulnerable road users; reducing our vehicle miles traveled (VMT), air pollution, and other hidden costs to public health; and protecting our environment now and for future generations. Climate Forward: expand



access to clean transportation options for every community and context. Fair and Sustainable Funding: update and diversify how we fund our transportation system. Our funding solutions must be designed to explicitly incentivize and invest in a greener and safer transportation system, deliver real value for our dollars, and share costs equitably. Accountability and Transparency: a balanced multi-modal transportation system would have accountable and transparent institutions that involve diverse and underrepresented voices in decision-making at every level.

18. Interconnected networks of gap- and barrier-free multi-modal facilities would provide safe and viable options for travelers in rural and urban areas to choose from. City and county facilities would complement state facilities by minimizing dependence on state facilities to serve local trips. Within communities, state facilities would serve all modes, prioritizing safety over vehicle capacity, and be designed and operated to achieve appropriate target motor vehicle speeds for the adjacent land use context.
19. Safe, comfortable, and lasting pavement for motorized vehicles; buffered bike lanes and, where possible, bikeways separate from motorized vehicles; continual sidewalks and multi-modal paths in a network that allows travel for daily work and life necessities; intercity and connected county transit for those who don't or can't drive; more frequent, predictable passenger rail service and, in my dreams, ultimately high-speed rail connecting the west coast states.
20. We already have a complete roadway network for automobiles, so a balanced system would look like completing meaningful networks for public transit, active transportation, and passenger rail, too. A balanced multimodal transportation system would prioritize eliminating serious injuries and fatalities and dramatically reducing emissions. It would meet the needs of the 30% of Oregonians who can't or don't drive. It would ensure you can just as efficiently get around by bus, train, walking or rolling as you can by driving and in fact would disincentivize driving which has come to dominate our transportation system.
21. A reliable and efficient system that is available to all users. When defining balanced, I think of not just the various forms of transportation (cars, trucks, bikes, pedestrians, mass transit, etc.) but I also think of balanced between local and state resources as well as rural and urban populations. Accomplishing this type of system would require a significant increase in resources.



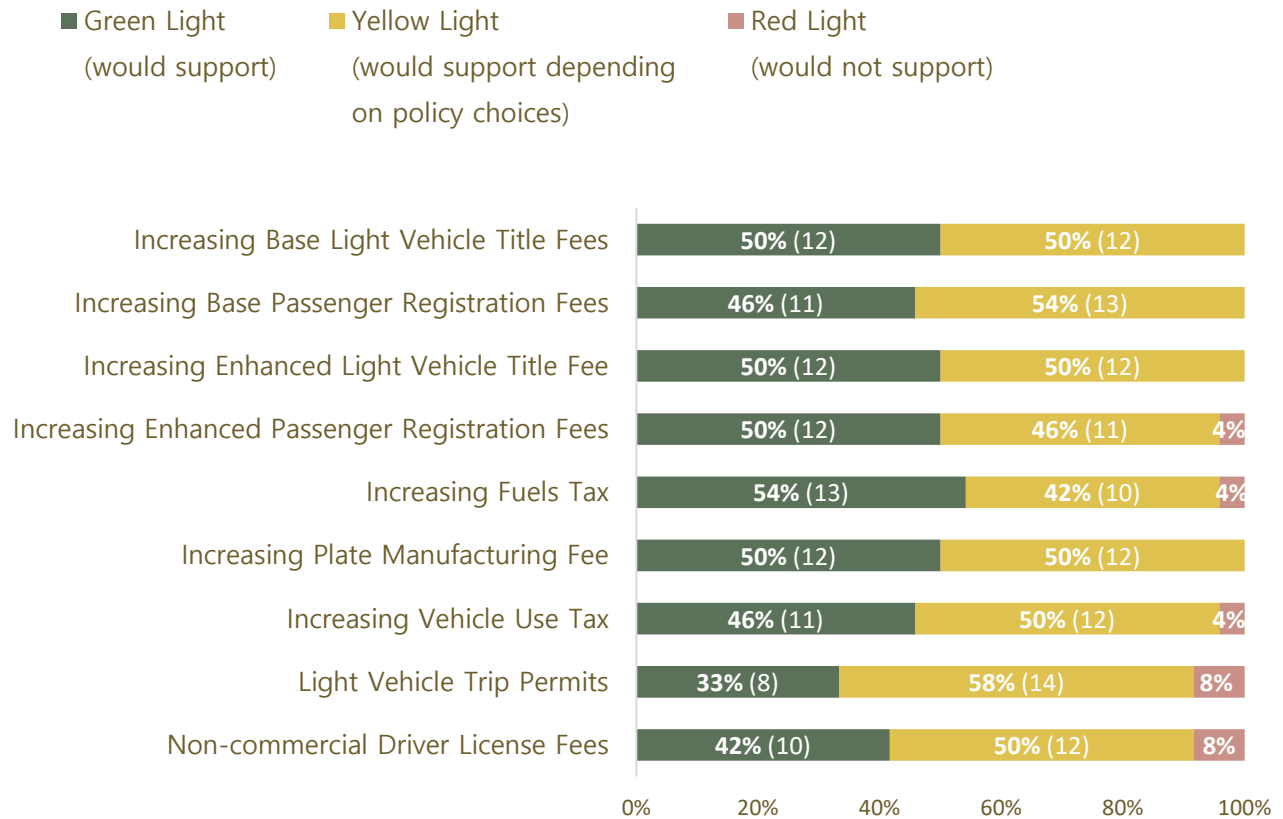
22. In an ideal world we have lots of movement choices - but we do not have enough money to be ideal, so we need to focus on the basics. Every single mode in some way uses roads (buses and bikes use roads, peds use adjacent sidewalk funded with SHF, micromobility devices use roads, sidewalk & paths as well and those devices get from factories to stores on the roads). Every person relies on roads for the essential we need for life. So, balance begins with the basics.



## Short-Term Revenue Sources

This section includes a chart summarizing workgroup members' level of support for each revenue source, followed by listings of their comments for choosing their support rating.

Chart 1: Workgroup members' level of support for short-term revenue sources.



Source: Legislative Policy and Research Office analysis

### *Increasing Base Light Vehicle Title Fees*

#### **Green Light (would support): 50% (12)**

1. Oregon's fees don't cover the cost of service provided or impact on roads. We need to close that gap.
2. Fees and gas taxes are the primary funding sources.
3. It is a one-time cost and does not affect your daily living expenses.
4. Very efficient and already in-place.
5. Easy to administer. Increases in DMV fees should cover service function costs.



6. Fee increases should be spread throughout the system and by multiple users.
7. Fees are appropriate funding tools, in combination with other tools, and are already familiar to the public. Equity concerns limit how much fees can be used, which leads to the need for other sources.
8. Helps mitigate what EVs/Hybrids are not paying in gas tax.

**Yellow Light (would support depending on policy choices): 50% (12)**

1. Most of my responses were yellow, as it very much depends on the policy choices.
2. Support is dependent on how this tool is implemented, and where and how the revenue is spent. Ensure that funding is fair and sustainable. Incentivize cleaner, safer transportation choices. Be progressive and assign burdens/benefits equitably. Reinvest in the comprehensive, complete system we need.
3. For any revenue source identified as a "yellow light" is in recognition that all revenue raising options must be balanced against others to ensure the burden of increased revenue is shared fairly among all users.
4. Support is dependent on how this tool is implemented, and where and how the revenue is spent. Ensure that funding is fair and sustainable. Incentivize cleaner, safer transportation choices. Be progressive and assign burdens/benefits equitably. Reinvest in the comprehensive, complete system we need.
5. Depends on how this tool is implemented, and where and how the revenue is spent. (same for all yellow lights)
6. Don't mean so seem wishy-washy but have to see the entire legislative package.
7. This option provides a straightforward way to generate revenue without significant complexity in administration. It ensures that all vehicle owners contribute to the system, aligning costs with use. However, it may disproportionately impact low-income drivers.
8. In general, we need sources that not only generate revenue but also incentivize the kinds of choices Oregon needs to see. Fixed fees tend to be inequitable and once paid do not incentivize choices.

### ***Increasing Base Passenger Registration Fees***

**Green Light (would support): 46% (11)**

1. Helps cover the cost of using Oregon roads.
2. One time cost.



3. Very efficient and already in-place.
4. State should develop mechanisms to allow payment over time.
5. Significant short-term yield; captures all road users; easy to administer.
6. Fee increases should be spread throughout the system and by multiple users.
7. Similar response to the previous question.

**Yellow Light (would support depending on policy choices): 54% (13)**

1. Avoid recurring lump sum fees that people can't afford. Support is dependent on how this tool is implemented, and where and how the revenue is spent. Ensure that funding is fair and sustainable. Incentivize cleaner, safer transportation choices. Be progressive and assign burdens/benefits equitably. Reinvest in the comprehensive, complete system we need.
2. Support is dependent on how this tool is implemented, and where and how the revenue is spent. Ensure that funding is fair and sustainable. Incentivize cleaner, safer transportation choices. Be progressive and assign burdens/benefits equitably. Reinvest in the comprehensive, complete system we need.
3. Ibid.
4. Depends on how it is rolled out.
5. Passenger registration fee increases distribute costs broadly among vehicle owners. This method offers predictable revenue and helps maintain infrastructure equity. The main concern is balancing affordability for everyday drivers.
6. In general, we need sources that not only generate revenue but also incentivize the kinds of choices Oregon needs to see. Fixed fees tend to be inequitable and once paid do not incentivize choices.

***Increasing Enhanced Light Vehicle Title Fee***

**Green Light (would support): 50% (12)**

1. Same answer as above
2. For equity, high-mileage vehicles should pay proportionately the same as basic cars pay in gas taxes.
3. One time cost.
4. Very efficient and already in-place





5. Continue to provide incentives for people to transition to OreGO. Ensure that total costs of fees are not higher than they are for non EVs/High Mile per gallon vehicles. State should develop mechanisms to allow payment over time.
6. Easy to implement. Increases in DMV fees should cover service function costs.
7. Fee increases should be spread throughout the system and by multiple users.
8. Similar response to the previous question.
9. Helps mitigate what EVs/Hybrids are not paying in gas tax.

**Yellow Light (would support depending on policy choices): 50% (12)**

1. Support is dependent on how this tool is implemented, and where and how the revenue is spent. Ensure that funding is fair and sustainable. Incentivize cleaner, safer transportation choices. Be progressive and assign burdens/benefits equitably. Reinvest in the comprehensive, complete system we need.
2. Support is dependent on how this tool is implemented, and where and how the revenue is spent. Ensure that funding is fair and sustainable. Incentivize cleaner, safer transportation choices. Be progressive and assign burdens/benefits equitably. Reinvest in the comprehensive, complete system we need.
3. Enhanced title fees target users who benefit from specialized services or upgrades, which can be perceived as fair. This approach minimizes the burden on standard users while generating necessary revenue. However, its limited scope may not address broader funding gaps.
4. In general, we need sources that not only generate revenue but also incentivize the kinds of choices Oregon needs to see. Fixed fees tend to be inequitable and once paid do not incentivize choices.

***Increasing Enhanced Passenger Registration Fees***

**Green Light (would support): 50% (12)**

1. Same answer as above.
2. One time cost.
3. Very efficient and already in-place.
4. Continue to provide incentives for people to transition to OreGO. Ensure that total costs of fees are not higher than they are for non EVs/High Mile per gallon vehicles. State should develop mechanisms to allow payment over time.



5. At this time, passenger registration fees represent the best opportunity to increase funding and address equitable cost share.
6. Significant short-term yield; Captures all highway users; Ability to charge more for different MPG tiers enables greater yields and equity.
7. Fee increases should be spread throughout the system and by multiple users.
8. Similar response. The range of funding sources creates an opportunity for greater equity; while ensuring adequate funding.
9. Yes, but needs to be balanced around how it's rolled out so Oregonians still want more efficient cars.

**Yellow Light (would support depending on policy choices): 46% (11)**

1. Avoid recurring lump sum fees that people can't afford. Support is dependent on how this tool is implemented, and where and how the revenue is spent. Ensure that funding is fair and sustainable. Incentivize cleaner, safer transportation choices. Be progressive and assign burdens/benefits equitably. Reinvest in the comprehensive, complete system we need.
2. Support is dependent on how this tool is implemented, and where and how the revenue is spent. Ensure that funding is fair and sustainable. Incentivize cleaner, safer transportation choices. Be progressive and assign burdens/benefits equitably. Reinvest in the comprehensive, complete system we need.
3. All increased revenue options will require balance, equity and public outreach.
4. In general, we need sources that not only generate revenue but also incentivize the kinds of choices Oregon needs to see. Fixed fees tend to be inequitable and once paid do not incentivize choices.

**Red Light (would not support): 4% (1)**

1. They're high enough.

### ***Increasing Fuels Tax***

**Green Light (would support): 54% (13)**

1. Capture revenue from visitors to share the cost of using Oregon roads.
2. This is the major source of funding and serves as a basic proxy for road usage.
3. Very efficient and already in-place.



4. The fuel tax remains the most significant tool in the toolbox and will need to be leveraged again. Education regarding what this means to the average rate payer is key.
5. Efficient to administer; Significant short-term yield; Remains the most effective user-pay revenue option.
6. Fee increases should be spread throughout the system and by multiple users.
7. While I'm supportive of all the options presented and believe an effective solution will require a variety of options, an immediate and significant increase in the vehicle fuels tax is my top choice as it is efficient to implement, it is equitable, and it can have a significant impact on the budget.
8. The gas tax must be increased and indexed. More importantly, a replacement for the gas tax must be established that equitably taxes users based on their level of use and impact on the system-environment.
9. You need to pay your fair share and this is the most straightforward to explain.
10. Given existing revenue sources, increasing the fuel tax is perhaps the most pragmatic approach in the short term.

**Yellow Light (would support depending on policy choices): 42% (10)**

1. This directly relates to our cost of living and inflation. Nothing moves or ships without gas or diesel.
2. Support is dependent on how this tool is implemented, and where and how the revenue is spent. Ensure that funding is fair and sustainable. Incentivize cleaner, safer transportation choices. Be progressive and assign burdens/benefits equitably. Reinvest in the comprehensive, complete system we need.
3. Support is dependent on how this tool is implemented, and where and how the revenue is spent. Ensure that funding is fair and sustainable. Incentivize cleaner, safer transportation choices. Be progressive and assign burdens/benefits equitably. Reinvest in the comprehensive, complete system we need.
4. Raising fuel taxes is a sustainable way to fund infrastructure, with revenue tied directly to road usage. It encourages fuel efficiency and environmental responsibility. However, it disproportionately affects rural drivers and those with longer commutes.

**Red Light (would not support): 4% (1)**

1. Not until we solve the electric car conundrum.



## ***Increasing Plate Manufacturing Fees***

### **Green Light (would support): 50% (12)**

1. With the increasing inventory of styles of plates available, it's fair to charge more for more choices.
2. Very efficient and already in-place.
3. Easy to administer, reasonable yield.
4. Fee increases should be spread throughout the system and by multiple users.
5. This has limited potential but worth including.

### **Yellow Light (would support depending on policy choices): 50% (12)**

1. One-time fee.
2. Support is dependent on how this tool is implemented, and where and how the revenue is spent. Ensure that funding is fair and sustainable. Incentivize cleaner, safer transportation choices. Be progressive and assign burdens/benefits equitably. Reinvest in the comprehensive, complete system we need.
3. Support is dependent on how this tool is implemented, and where and how the revenue is spent. Ensure that funding is fair and sustainable. Incentivize cleaner, safer transportation choices. Be progressive and assign burdens/benefits equitably. Reinvest in the comprehensive, complete system we need.
4. With more special plates sure, but mixed bag.
5. A modest increase in plate manufacturing fees is practical, as it aligns with tangible costs and administrative simplicity. It is unlikely to face significant opposition due to its minimal impact on users. Revenue potential, however, is relatively limited.
6. In general, we need sources that not only generate revenue but also incentivize the kinds of choices Oregon needs to see. Fixed fees tend to be inequitable and once paid do not incentivize choices.

## ***Increasing Vehicle Use Tax***

### **Green Light (would support): 46% (11)**

1. Helps cover the cost of road use
2. Paying for usage is fair.
3. Easy to administer, increasing revenue source (3%/year).
4. Fee increases should be spread throughout the system and by multiple users.



5. A road user charge that is required of all vehicles is the best long-term replacement for the gas tax.
6. Yes, since a lot of folks buy cars in Washington.
7. We believe that a vehicle miles travelled program in place of the gas tax would help deal with the decreased revenue from the gas tax. However, we need to make sure that it is not in addition to the gas tax but rather in place of, to prevent taxpayers from referring it to the ballot.

**Yellow Light (would support depending on policy choices): 50% (12)**

1. We need to maintain our HCAS balance.
2. Support is dependent on how this tool is implemented, and where and how the revenue is spent. Ensure that funding is fair and sustainable. Incentivize cleaner, safer transportation choices. Be progressive and assign burdens/benefits equitably. Reinvest in the comprehensive, complete system we need.
3. Support is dependent on how this tool is implemented, and where and how the revenue is spent. Ensure that funding is fair and sustainable. Incentivize cleaner, safer transportation choices. Be progressive and assign burdens/benefits equitably. Reinvest in the comprehensive, complete system we need.
4. A vehicle use tax is an equitable way to charge based on usage, ensuring frequent users contribute more. It directly aligns with wear and tear on infrastructure. Implementation complexity and public perception may pose challenges.
5. Our answer is based on the assumption that this is a road usage charge.

**Red Light (would not support): 4% (1)**

1. Expensive to track and lots of evasion.

### ***Light Vehicle Trip Permits***

**Green Light (would support): 33% (8)**

1. Helps cover the cost of road use
2. Easy to administer.
3. Depends on ease of access for drivers.

**Yellow Light (would support depending on policy choices): 58% (14)**

1. A lot of work for not a lot.



2. Support is dependent on how this tool is implemented, and where and how the revenue is spent. Ensure that funding is fair and sustainable. Incentivize cleaner, safer transportation choices. Be progressive and assign burdens/benefits equitably. Reinvest in the comprehensive, complete system we need.
3. No Comment.
4. Support is dependent on how this tool is implemented, and where and how the revenue is spent. Ensure that funding is fair and sustainable. Incentivize cleaner, safer transportation choices. Be progressive and assign burdens/benefits equitably. Reinvest in the comprehensive, complete system we need.
5. Appears to have limited benefit unless this is targeting delivery vehicles.
6. Trip permits provide a pay-as-you-go model for infrequent users, which is fair and equitable. This option can help capture revenue from non-traditional users. However, it may not generate sufficient revenue for long-term needs.

**Red Light (would not support): 8% (2)**

*[workgroup members who selected this option did not leave comments]*

### ***Non-commercial Driver License Fees***

**Green Light (would support): 42% (10)**

1. Same answer as above.
2. Very efficient and already in-place.
3. Easy to administer.
4. This directly reaches the user and is generally perceived as equitable.

**Yellow Light (would support depending on policy choices): 50% (12)**

1. Did not discuss numbers on this in work group.
2. Support is dependent on how this tool is implemented, and where and how the revenue is spent. Ensure that funding is fair and sustainable. Incentivize cleaner, safer transportation choices. Be progressive and assign burdens/benefits equitably. Reinvest in the comprehensive, complete system we need.
3. No Comment.
4. Support is dependent on how this tool is implemented, and where and how the revenue is spent. Ensure that funding is fair and sustainable. Incentivize cleaner, safer



transportation choices. Be progressive and assign burdens/benefits equitably. Reinvest in the comprehensive, complete system we need.

5. Adjusting license fees spreads costs among all drivers, ensuring consistent funding. The infrequency of license renewals minimizes the financial burden on individuals. This approach may not provide immediate revenue impact due to renewal cycles.
6. In general, we need sources that not only generate revenue but also incentivize the kinds of choices Oregon needs to see. Fixed fees tend to be inequitable and once paid do not incentivize choices.

**Red Light (would not support): 8% (2)**

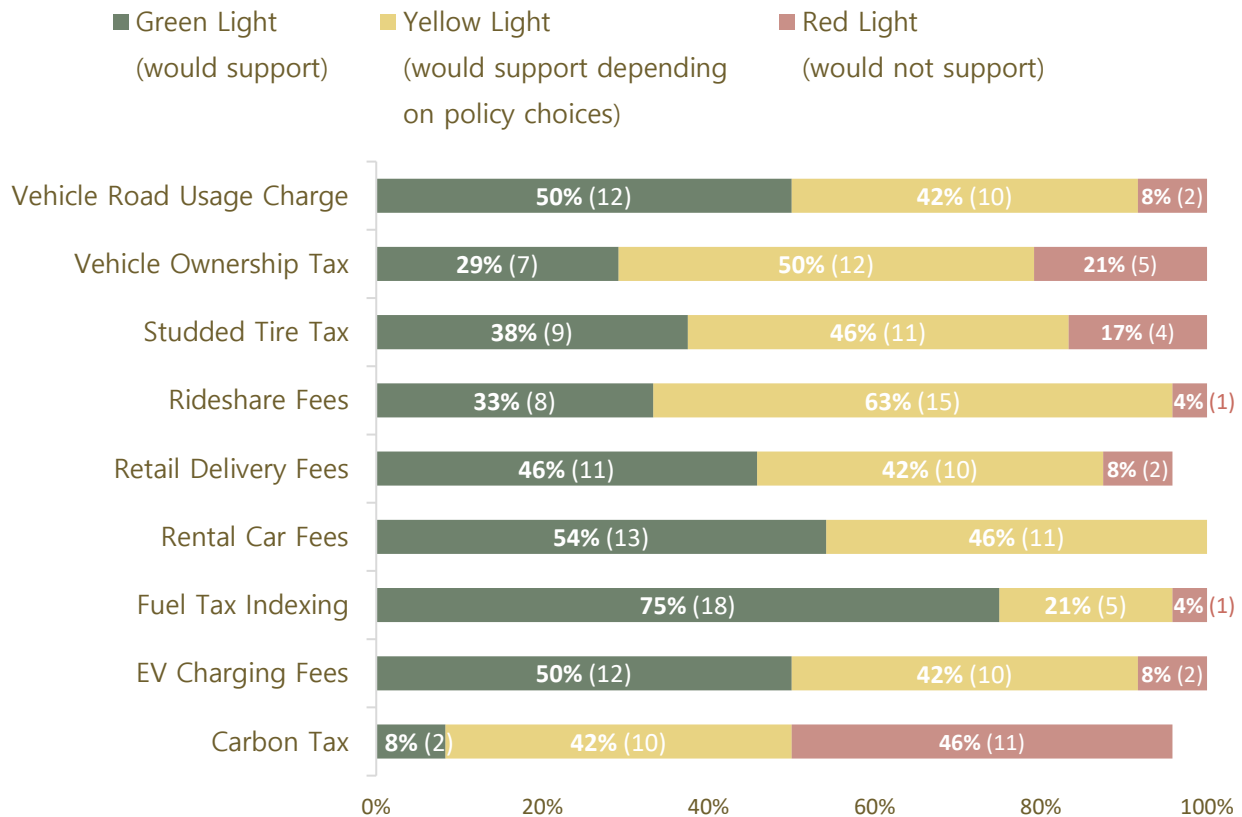
1. This could have adverse effects on gaining employment.
2. People need access to transit, and the Oregon system is not built out anywhere but the Tri counties. We can't make it harder for lower income folks to get to work.



## Medium- and Long-Term Revenue Sources

This section includes a chart summarizing workgroup members' level of support for each revenue source, followed by listings of their comments for choosing their support rating.

Chart 2: Workgroup members' level of support for medium- and long-term revenue sources.



Source: Legislative Policy and Research Office analysis.

Note: Rows do not add up to 100% if any workgroup members did not rate the revenue source.

### *Carbon Tax*

**Green Light (would support): 8% (2)**

1. Operates as a fuel tax without the political stigma of one.
2. This aligns with our environmental and sustainability goals.

**Yellow Light (would support depending on policy choices): 42% (10)**

1. Depends very much on the specifics.





2. Support is dependent on how this tool is implemented, and where and how the revenue is spent. Ensure that funding is fair and sustainable. Incentivize cleaner, safer transportation choices. Be progressive and assign burdens/benefits equitably. Reinvest in the comprehensive, complete system we need.
3. N/A
4. Support is dependent on how this tool is implemented, and where and how the revenue is spent. Ensure that funding is fair and sustainable. Incentivize cleaner, safer transportation choices. Be progressive and assign burdens/benefits equitably. Reinvest in the comprehensive, complete system we need.
5. Depends on how this tool is implemented, and where and how the revenue is spent. (same for all yellow lights)
6. Depends on how this is done.
7. It would be important to ensure that revenues are reinvested in infrastructure improvements that benefit both businesses and communities.
8. In theory, a carbon tax is attractive as it advances Oregon's goals to reduce greenhouse gas emissions. But without relaxing the constitutional limits that such revenues can be reinvested only in roads, the effectiveness of the revenue source is blunted.

**Red Light (would not support): 46% (11)**

1. Difficult to explain this one to the voting public.
2. Not politically realistic. High admin cost.
3. Older gas engines add more carbon than a new diesel truck how do you make it equitable?
4. The gas tax is effectively a carbon tax, and there is no need to build a new system.
5. Complicated new ground public is not ready for.
6. This is essentially just a gas tax, so keep with the system that is available.
7. Can't support at this point, it's too divisive.

***EV Charging Fees***

**Green Light (would support): 50% (12)**

1. Electrical power isn't free; charging shouldn't be either.
2. They should pay their fair share for the roads they drive on.
3. Need to pay their share in use.



4. They need to start paying for the system.
5. EV charging fees should be equitable to a user pay system, and equivalent damage to infrastructure, balanced with Enhanced Passenger Registration Fees or Vehicle Road Usage Charge. EV charging fees should be assessed and used to provide additional charging stations and for maintenance of all charging stations.
6. This essentially is a substitute for the gas tax that these users are not exposed to.
7. Anything to add to electric car use given they pay no gas tax.
8. Modernize gas tax.
9. EV charging fees can be a fair way to ensure electric vehicles contribute to road maintenance, addressing funding gaps as EV adoption grows.

**Yellow Light (would support depending on policy choices): 42% (10)**

1. Unlikely to generate funds and net revenue potential.
2. The revenue would be negligible, and because the short-term application would only be at public charging, it would most heavily fall on people who do not have private storage for their electric vehicles – typically people living in multihousehold buildings.
3. Don't disincentivize switch to EVs. Support is dependent on how this tool is implemented, and where and how the revenue is spent. Ensure that funding is fair and sustainable. Incentivize cleaner, safer transportation choices. Be progressive and assign burdens/benefits equitably. Reinvest in the comprehensive, complete system we need.
4. To encourage widespread acceptance of EVs, this should be a longer-term revenue source that is slowly implemented.
5. Support is dependent on how this tool is implemented, and where and how the revenue is spent. Ensure that funding is fair and sustainable. Incentivize cleaner, safer transportation choices. Be progressive and assign burdens/benefits equitably. Reinvest in the comprehensive, complete system we need.
6. This should

**Red Light (would not support): 8% (2)**

1. Not effective and difficult to implement.
2. Charging people who voluntarily choose more environmentally friendly ways to get around is not good public policy.



## *Fuel Tax Indexing*

### **Green Light (would support): 75% (18)**

1. Strongly support; keep up with cost of inflation.
2. A must.
3. So obvious.
4. We need to index to inflation.
5. This must happen. Also need to index other fees - especially registration.
6. Efficient to administer; significant short-term yield; mitigates impacts of inflation; ability to set floor and ceiling; Highway Construction Cost Index is a better reflection of cost increases in this sector than the general Consumer Price Index. Indexing to inflation should be evaluated for all SHF fees and taxes, not only fuel taxes.
7. Is currently too low. Fee increases should be spread throughout the system and by multiple users.
8. This is a must for future revenue protection.
9. This is essential to preserving the buying power of the funds raised (a protection against the eroding effect of inflation).
10. Indexing to the Construction Cost Index is important in any revenue raising measure adopted by the Legislature in the 2025 transportation package
11. Indexing the fuel tax to inflation ensures stable, predictable revenue over time, reducing the need for frequent legislative adjustments.
12. Indexing to the Construction Cost Index is important in any revenue raising measure adopted by the legislature in the 2025 transportation package.
13. Any revenue source should be indexed to account for the reality that prices rise, hence revenues must as well – in nominal terms if not necessarily in real terms.

### **Yellow Light (would support depending on policy choices): 21% (5)**

1. The cost of fuel directly affects our daily cost of living and inflation. This should be voted on by the people.
2. Support is dependent on how this tool is implemented, and where and how the revenue is spent. Ensure that funding is fair and sustainable. Incentivize cleaner, safer transportation choices. Be progressive and assign burdens/benefits equitably. Reinvest in the comprehensive, complete system we need.



3. Support is dependent on how this tool is implemented, and where and how the revenue is spent. Ensure that funding is fair and sustainable. Incentivize cleaner, safer transportation choices. Be progressive and assign burdens/benefits equitably. Reinvest in the comprehensive, complete system we need.
4. Need to see fleshed out.

**Red Light (would not support): 4% (1)**

1. Risky when you have unexpected results like COVID. You can only handle so much rapid price change.

### ***Rental Car Fees***

**Green Light (would support): 54% (13)**

1. Why not?
2. Collect the out of state money to help share the costs of maintaining our roads.
3. It helps get dollars from users outside Oregon, that are using our roads.
4. Users should pay more for the convenience of this service.
5. Dedicated fund for operations and maintenance.
6. Captures these users even as they continue to transition to electric or other fuels.
7. Good because a high percentage would be from out of state.
8. Rental car fees can target out-of-state visitors and occasional users, minimizing the financial burden on local businesses. However, these fees should remain competitive to avoid deterring tourism and business travel, which are vital to the local economy.

**Yellow Light (would support depending on policy choices): 46% (11)**

1. Already used heavily by counties.
2. Need to ensure that revenues are allocated to the facilities and jurisdictions being directly impacted.
3. Support is dependent on how this tool is implemented, and where and how the revenue is spent. Ensure that funding is fair and sustainable. Incentivize cleaner, safer transportation choices. Be progressive and assign burdens/benefits equitably. Reinvest in the comprehensive, complete system we need.
4. Support is dependent on how this tool is implemented, and where and how the revenue is spent. Ensure that funding is fair and sustainable. Incentivize cleaner, safer



transportation choices. Be progressive and assign burdens/benefits equitably. Reinvest in the comprehensive, complete system we need.

5. People providing or using rental cars should not necessarily pay more than people using privately owned ones. Indeed, if people can own one less car and hence drive less, in part because they can economically rent a car when necessarily, perhaps rental cars should be incentivized rather than charged.

### ***Retail Delivery Fees***

#### **Green Light (would support): 46% (11)**

1. Strongly support. Retail deliveries have a big impact on residential streets in particular, and cities rarely have money to fix those streets.
2. Low revenue generator but a flexible funding source for not road trans usage.
3. They are making a living on our roadways and should help pay for the maintenance.
4. As long as it is an efficient system.
5. There is a nexus between this fee and system use. It can generate significant funding, so the juice is worth the squeeze.
6. Should be assessed per delivery with an equity lens; possibly exempting groceries/medications. Consider a tiered fee based on total sale.
7. Users should pay more for the convenience of this service.
8. trucks tear up the roads
9. This is a rapidly increasing demand on the system and a viable method of assessing a fair charge on the user.

#### **Yellow Light (would support depending on policy choices): 42% (10)**

1. Need to ensure that revenues are allocated to the facilities and jurisdictions being directly impacted by the deliveries.
2. Don't apply to medicine or grocery delivery. Support is dependent on how this tool is implemented, and where and how the revenue is spent. Ensure that funding is fair and sustainable. Incentivize cleaner, safer transportation choices. Be progressive and assign burdens/benefits equitably. Reinvest in the comprehensive, complete system we need.
3. Support is dependent on how this tool is implemented, and where and how the revenue is spent. Ensure that funding is fair and sustainable. Incentivize cleaner, safer



transportation choices. Be progressive and assign burdens/benefits equitably. Reinvest in the comprehensive, complete system we need.

4. Could work; can't be too high as obviously impacts poorer people more.
5. Depends how this is applied but it feels like it favors bigger businesses.
6. People ordering by mail or businesses delivering should not necessarily pay more than people driving to get goods. Indeed, if we can reduce overall traffic by increasing deliveries, perhaps retail delivery should be incentivized rather than charged.

**Red Light (would not support): 8% (2)**

1. A retail delivery fee may be perceived as a sales tax, making it politically challenging to implement. Without a significant revenue upside, it may not justify the potential political and public pushback.

### ***Rideshare Fees***

**Green Light (would support): 33% (8)**

1. Again collect for their fair share of the road usage and wear they cause.
2. Users should pay more for the convenience of this service.

**Yellow Light (would support depending on policy choices): 63% (15)**

1. Not as enthusiastic about this one. Ride sharing reduces the number of vehicles using roads.
2. Need to ensure that revenues are allocated to the facilities and jurisdictions being directly impacted by the rideshare trips.
3. It would depend.
4. Support is dependent on how this tool is implemented, and where and how the revenue is spent. Ensure that funding is fair and sustainable. Incentivize cleaner, safer transportation choices. Be progressive and assign burdens/benefits equitably. Reinvest in the comprehensive, complete system we need.
5. Support is dependent on how this tool is implemented, and where and how the revenue is spent. Ensure that funding is fair and sustainable. Incentivize cleaner, safer transportation choices. Be progressive and assign burdens/benefits equitably. Reinvest in the comprehensive, complete system we need.
6. This is limited in total revenue but does offset the shift from internal combustion to electric, which otherwise avoids the gas tax.



7. Same as above.
8. Rideshare fees could be a fair way to capture revenue from high-use transportation services. However, they should avoid being overly burdensome to ensure ridesharing remains a viable option for workers and customers accessing businesses.
9. People providing or using rideshare should not necessarily pay more than people using privately owned ones. Indeed, if people can own one less car and hence drive less, in part because they can economically rideshare when necessarily, perhaps rideshare should be incentivized rather than charged.

**Red Light (would not support): 4% (1)**

1. Not realistic.

### ***Studded Tire Tax***

**Green Light (would support): 38% (9)**

1. Provides revenue to possibly mitigate pavement damage from studded tires. Make the studded tire tax high enough so that they are more expensive than the newer technology stud less tires to incentivize people to move to the stud less tires.
2. Even though this is a small revenue generator, I believe that Oregon experiences premature wear on concrete bridge decks as a result of studded tire use. I'd question if the research presented adequately addressed bridge decks through high use areas like the Bend Bypass.
3. Should be banned given advancement of all-weather tires the last 20 years
4. Does more damage to roads so pay more.
5. Directly attributes to the deterioration of the roads. We should also consider tire chains in this tax.
6. Insofar as studded tires degrade pavement more than regular tires, there should be a tax or fee imposed.

**Yellow Light (would support depending on policy choices): 46% (11)**

1. Newer studded tires have minimal road use impact, and use of studded tires overall is decreasing. Wouldn't generate much [revenue].
2. People who truly need should be able to use at no extra cost (East) - saves lives. Those in Portland and Willamette Valley should pay hugely for studs as the dry roads are where most the damage occurs.



3. Support is dependent on how this tool is implemented, and where and how the revenue is spent. Ensure that funding is fair and sustainable. Incentivize cleaner, safer transportation choices. Be progressive and assign burdens/benefits equitably. Reinvest in the comprehensive, complete system we need.
4. N/A
5. Support is dependent on how this tool is implemented, and where and how the revenue is spent. Ensure that funding is fair and sustainable. Incentivize cleaner, safer transportation choices. Be progressive and assign burdens/benefits equitably. Reinvest in the comprehensive, complete system we need.
6. Drivers may use chains instead which could damage the roads more
7. Limited revenue generated.
8. A tax on studded tires may be an equitable approach to offset the road damage caused by their use. The funds would need to be transparently allocated to road maintenance and repairs that improve transportation reliability.

**Red Light (would not support): 17% (4)**

1. Today's studs do very little damage to our roads. They are the safest option you have for ice saving thousands of lives and accidents every year
2. Doesn't bring in enough revenue.
3. Does not generate significant funding. Perception of geographical inequity and taxing safety. Juice is not worth the squeeze.

### ***Vehicle Ownership Tax***

**Green Light (would support): 29% (7)**

1. Strongly support.
2. Recommend making this a vehicle purchase and ownership tax.
3. Without question. This funding source must be implemented if we are to generate significant revenue from an untapped source that every other state seems to have figured out.
4. Significant revenue potential; closely mirrors existing tax (privilege/use tax); influenced by changes in population, economic activity, and vehicle prices; more inflation resilient. Rates could be tied to specific vehicle characteristics like weight.
5. Fee increases should be spread throughout the system and by multiple users.





### **Yellow Light (would support depending on policy choices): 50% (12)**

1. Extremely compelling and could raise significant revenue. Support is dependent on how this tool is implemented, and where and how the revenue is spent. Ensure that funding is fair and sustainable. Incentivize cleaner, safer transportation choices. Be progressive and assign burdens/benefits equitably. Reinvest in the comprehensive, complete system we need.
2. Support is dependent on how this tool is implemented, and where and how the revenue is spent. Ensure that funding is fair and sustainable. Incentivize cleaner, safer transportation choices. Be progressive and assign burdens/benefits equitably. Reinvest in the comprehensive, complete system we need.
3. This has equity issues.
4. Generally supportive of progressive tax system.
5. Funds from this should go into the Highway Trust Fund.
6. A vehicle ownership tax can distribute costs broadly among all vehicle owners, potentially stabilizing long-term funding. Will need to consider exemptions or tiered rates for commercial fleets to mitigate the financial impact on operations.
7. Would have to be exclusively dedicated to the State Highway Fund.
8. Taxing the ownership of a vehicle rather than the use of the vehicle is not the kind of incentive we want to see.

### **Red Light (would not support): 21% (5)**

1. Not sure how this works.
2. I do not understand what this is?
3. Don't see this getting support.
4. Too much like a sales tax and it seems tracking and taxing private transactions would be hard to do economically.
5. Car ownership is expensive enough already.

## ***Vehicle Road Usage Charge***

### **Green Light (would support): 50% (12)**

1. I favor this most of all. Straightforward and easy to understand and justify.
2. Long-term generator of revenue but expensive admin cost.
3. Pay for the miles you drive.



4. It is clear that our current fuel tax revenue will continue to diminish as mpg increases in new vehicles and as motorists continue to transition to electric vehicles. It will be important to pursue ways to lower the administrative costs expected for implementation of a vehicle road usage charge program.
5. Mitigates decline in fuel tax; provides greater parity between vehicle MPG classes; enhances sustainability.
6. Is currently too low. Fee increases should be spread throughout the system and by multiple users.
7. This has our strongest support
8. This allows for continuing income to the system, that does not decrease as vehicles become more fuel efficient.
9. In general, some kind of smart road usage charge, which could depend on the kind of vehicle and where driven, is an efficient way to tie who benefits with who pays.

**Yellow Light (would support depending on policy choices): 42% (10)**

1. It is questionable how this could be achieved efficiently... look at weight mile tax.
2. This is the likely funding source of the future, however ODOT has been working on this for decades with little to show for it. Private industry will most likely solve this with tech advancements.
3. Support is dependent on how this tool is implemented, and where and how the revenue is spent. Ensure that funding is fair and sustainable. Incentivize cleaner, safer transportation choices. Be progressive and assign burdens/benefits equitably. Reinvest in the comprehensive, complete system we need.
4. Support is dependent on how this tool is implemented, and where and how the revenue is spent. Ensure that funding is fair and sustainable. Incentivize cleaner, safer transportation choices. Be progressive and assign burdens/benefits equitably. Reinvest in the comprehensive, complete system we need.
5. Need to see details, but at least it would include hybrids and electric cars equally with gas cars.
6. Depending on how this is tracked.
7. A road usage charge aligns costs with actual infrastructure use, providing fairness across all vehicle types. Will take longer to implement and set up administration and will have privacy pushback.



**Red Light (would not support): 8% (2)**

1. Expensive to operate.
2. ODOT has not proved works - public not informed - too political.

**Is there another revenue source that was not discussed in the workgroup?  
What is it? (write N/A if you believe all solid potential revenue sources  
were covered in the workgroup)**

1. N/A
2. Vehicle sales tax, not on list but as discussed, a good revenue source.
3. "One that was not brought up is the RV space or Hotel Room tax. These would give us an opportunity to collect from the out of staters driving on our roads traveling throughout our state.
4. Also new/used car purchase road usage tax? You can amortize the cost over time with your loan payments.
5. Customer service fee at DMV to help with staffing there.
6. N/A
7. N/A
8. Other taxes on negative externalities of driving such as a regular tire tax to address noise pollution.
9. Targeted investments from the General Fund are worth adding as an option for consideration.
10. Indexing to highway construction cost inflation should be evaluated for all SHF fees and taxes, not only fuel taxes.
11. N/A
12. Noise: Noise is a hidden cost of our transportation system and the harms of noise often fall on everyone but the driver of a vehicle. I would encourage us to look at a way to price noise (small tax on tires, for example) that could be directed toward mitigation strategies (sound barriers, road treatments, etc.)



13. We have significant, long term funding issues - ones that are going to require taking bigger swings at tougher stuff. Things like Cap and Invest (looking to the voter affirmed Climate Commitment Act, resulting program, and billions in funding this is generating for Washington) and property tax reform (Measures 5 and 50).
14. In areas, such as central and the coastal Oregon, travelling tourists cause major damage to roadways potentially offsetting potential economic gains. Municipalities and counties should explore avenues to raise revenue rather than relying on all Oregon taxpayers to foot the bill for damage caused by leading industries in those areas. For example, in coastal cities, short-term rentals and second homes take up a sizable amount of housing supply, which means that it is catered toward tourism. Moreover, many of these short-term rentals and second homes sit empty for months out of the year. This also means that the workforce turning the economic engine cannot afford to live in the city and must commute from out-of-town causing more damage to roads. Local governments can look at ways to leverage tourism as a sustainable funding source for the maintenance and preservation of roads.
15. If there was a golden bullet out there we missed nobody saw it.
16. Sales tax but kind of impossible here.
17. Single-lane tolling, instead of tolling all lanes. This would give passengers who choose to pay a toll the opportunity to bypass congestion and for the state to collect revenue from those travelers. This would address equity concerns raised over tolling highways because it gives an option for people to not pay tolls if they are willing to travel in the non-tolled lane(s).
18. N/A
19. "Dedicated tolling rather than value-based pricing.
20. Increase in moving violation fines earmarked for maintenance.
21. Some cities are already imposing property taxes to make up for insufficient revenues from the State Highway Fund for roadway maintenance. Although a third rail of Oregon politics, the lack of a sales tax puts greater pressure on income and property taxes, as well as special fees. We need to at least discuss kicker reform.



## Appendix A – Survey Instrument

**Instructions:** This survey will be issued to each member of Workgroup One: alternates should not take this survey unless their primary member cannot. This survey will be added as an appendix to the Report Out form for Workgroup One. The Report Out Form will be given to members of the Joint Committee on Transportation.

### Needs of Maintenance and Preservation

1. Based on our workgroup discussions, what do you believe is **one** key takeaway need in maintenance and preservation that you would like legislators to know? *Please reflect in terms of how it advances equity, safety, and/or environmental benefits*
2. How do we make sure we have enough resources in the State Highway Fund dedicated to preservation and maintenance?
3. Were there any key maintenance and preservation needs that were **not** discussed in this workgroup? What were they? *(Write N/A if you believe all preservation and maintenance needs were covered in the workgroup)*
4. In your mind, what would a balanced multi-modal transportation system look like?

### Short-Term Revenue

Please review the following potential revenue sources for the short term. *If you forgot the premise behind these revenue sources, please go to the workgroup website and re-watch the November 12<sup>th</sup> meeting.*

#### 1. Increasing Fuels Tax

- a. Support Rating (*select one*)
  - Red Light (would **not** support)
  - Yellow Light (would support depending on policy choices)
  - Green Light (would support)
- b. Why did you choose that support rating?

#### 2. Increasing Base Passenger Registration Fees

- a. Support Rating (*select one*)
  - Red Light (would not support)
  - Yellow Light (would support depending on policy choices)
  - Green Light (would support)



b. Why did you choose that support rating?

### **3. Increasing Enhanced Passenger Registration Fees**

a. Support Rating (*select one*)

- Red Light (would not support)
- Yellow Light (would support depending on policy choices)
- Green Light (would support)

b. Why did you choose that support rating?

### **4. Increasing Base Light Title Fees**

a. Support Rating (*select one*)

- Red Light (would not support)
- Yellow Light (would support depending on policy choices)
- Green Light (would support)

b. Why did you choose that support rating?

### **5. Increasing Enhanced Light Vehicle Title Fee**

a. Support Rating (*select one*)

- Red Light (would not support)
- Yellow Light (would support depending on policy choices)
- Green Light (would support)

b. Why did you choose that support rating?

### **6. Non-commercial Driver License Fees**

a. Support Rating (*select one*)

- Red Light (would not support)
- Yellow Light (would support depending on policy choices)
- Green Light (would support)

b. Why did you choose that support rating?

### **7. Increasing Plate Manufacturing Fee**

a. Support Rating (*select one*)

- Red Light (would not support)
- Yellow Light (would support depending on policy choices)
- Green Light (would support)



- b. Why did you choose that support rating?

## **8. Light Vehicle Trip Permits**

- a. Support Rating (*select one*)
  - Red Light (would not support)
  - Yellow Light (would support depending on policy choices)
  - Green Light (would support)
- b. Why did you choose that support rating?

## **9. Increasing Vehicle Use Tax**

- a. Support Rating (*select one*)
  - Red Light (would not support)
  - Yellow Light (would support depending on policy choices)
  - Green Light (would support)
- b. Why did you choose that support rating?

## **Medium- and Long-Term Revenue**

Please review the following potential revenue sources for the medium and long term. *If you forgot the premise behind these revenue sources, please go to the workgroup website and re-watch the November 19<sup>th</sup> and December 2<sup>nd</sup> meetings.*

## **10. Vehicle Road Usage Charge**

- a. Support Rating (*select one*)
  - Red Light (would not support)
  - Yellow Light (would support depending on policy choices)
  - Green Light (would support)
- b. Why did you choose that support rating?

## **11. Fuel Tax Indexing**

- a. Support Rating (*select one*)
  - Red Light (would not support)
  - Yellow Light (would support depending on policy choices)
  - Green Light (would support)
- b. Why did you choose that support rating?

## **12. Retail Delivery Fees**



- a. Support Rating (*select one*)
  - Red Light (would not support)
  - Yellow Light (would support depending on policy choices)
  - Green Light (would support)
- b. Why did you choose that support rating?

### **13. Rideshare Fees**

- a. Support Rating (*select one*)
  - Red Light (would not support)
  - Yellow Light (would support depending on policy choices)
  - Green Light (would support)
- b. Why did you choose that support rating?

### **14. Carbon Tax**

- a. Support Rating (*select one*)
  - Red Light (would not support)
  - Yellow Light (would support depending on policy choices)
  - Green Light (would support)
- b. Why did you choose that support rating?

### **15. EV Charging Fees**

- a. Support Rating (*select one*)
  - Red Light (would not support)
  - Yellow Light (would support depending on policy choices)
  - Green Light (would support)
- b. Why did you choose that support rating?

### **16. Rental Car Fees**

- a. Support Rating (*select one*)
  - Red Light (would not support)
  - Yellow Light (would support depending on policy choices)
  - Green Light (would support)
- b. Why did you choose that support rating?





### **17. Studded Tire Tax**

- a. Support Rating (*select one*)
  - Red Light (would not support)
  - Yellow Light (would support depending on policy choices)
  - Green Light (would support)
- b. Why did you choose that support rating?

### **18. Vehicle Ownership Tax**

- a. Support Rating (*select one*)
  - Red Light (would not support)
  - Yellow Light (would support depending on policy choices)
  - Green Light (would support)
- b. Why did you choose that support rating?

**Is there another revenue source that was not discussed in the workgroup? What is it?**  
*(Write N/A if you believe all solid potential revenue sources were covered in the workgroup)*