



August 29, 2025

Joint Committee on Transportation Funding
Oregon State Legislature
900 Court Street NE
Salem, Oregon 97301

Dear Co-Chairs and Members of the Committee,

On behalf of the City of Hillsboro, thank you for the opportunity to provide testimony in support of HB 3991.

Hillsboro is Oregon's fifth largest city and home to more than 110,000 residents, a major employment base, and some of the state's most critical industries, including advanced manufacturing and semiconductors. Our transportation system is the backbone of our local and regional economy. Maintaining and improving our transportation infrastructure is inextricably connected with economic development and quality of life. Businesses, workers, families, and visitors rely on safe, well-maintained roads and reliable connections to transit.

Like many cities across Oregon, Hillsboro faces a growing gap between available resources and the costs of maintaining critical infrastructure. Hillsboro maintains nearly 260 miles of streets, 420 miles of sidewalks, 36 signalized intersections, and an expanding network of bike and pedestrian facilities. At the same time, construction and maintenance costs have risen dramatically. For example:

- Asphalt paving costs have more than doubled in the past five years.
- Required ADA curb ramp upgrades have consumed an increasing share of our annual pavement budget.
- Delayed maintenance has accelerated deterioration, turning a \$40,000 per-mile repair into a \$600,000 full reconstruction.

To help address these challenges, Hillsboro has implemented a Transportation Utility Fee (TUF), providing a stable, locally generated revenue source to maintain our local street system. However, even with the TUF, state-shared revenues remain essential to avoid deep cuts to safety projects, routine maintenance, and system upgrades. Local resources alone cannot meet the scale of current and future needs.

The additional resources provided under HB 3991 are urgently needed. By preserving the long-standing 50/30/20 State Highway Fund distribution formula, HB 3991 recognizes the shared responsibility among the state, counties, and cities to keep Oregon moving.

We also support the steps HB 3991 takes toward modernizing transportation funding, including implementation of a Road User Charge (RUC) to ensure fairness and sustainability as vehicle technologies evolve.

While HB 3991 is a necessary stopgap measure, it is not a comprehensive solution. We urge the Legislature to use this moment as a foundation for developing a long-term, statewide transportation package that truly meets Oregon's needs — including seismic upgrades, bridge replacements, expanded transit service, and resilient infrastructure to support both economic competitiveness and community well-being.

Hillsboro stands ready to partner with the Legislature, the Governor, and local governments across Oregon to ensure that our transportation system is safe, sustainable, and equitable for all Oregonians. Thank you for your consideration. We urge your support for HB 3991.

Sincerely,

A handwritten signature in black ink, appearing to be "Beach Pace", with a stylized, cursive script.

Beach Pace
Mayor