



Legislative Fiscal Office  
83<sup>rd</sup> Oregon Legislative Assembly  
2026 Regular Session

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**Bill Title:** Relating to transportation.

**Government Unit(s) Affected:** Cities, Department of Transportation, Counties, Legislative Assembly

**Summary of Fiscal Impact:** Costs related to the measure are indeterminate at this time - see explanatory analysis.

**Measure Description**

The measure requires the Oregon Department of Transportation (ODOT) to:

- Report on progress in implementation of audit recommendations under section 1, chapter 1, Oregon Laws 2025 (special session) and transportation design practices in ORS 184.748; and establishment of a department of transportation university.
- Create a database equivalent to the Washington State Department of Transportation Gray Notebook.
- Assess the Department’s needs for training on best practices, including but not limited to, best practices for community engagement, project delivery, and effective multimodal safety design.
- Establish a department of transportation university based on a survey of other state departments of transportation that use this system.
- Centralize project delivery efforts and focus the Department’s regional offices on highway operation and maintenance.

The measure changes the definition of “qualified entity” as used in ORS 184.752 to 184.766 to include intergovernmental entities that provide public transportation services on behalf of a county or tribe. ORS 184.752 to 184.766 specifies distributions of funding from the Statewide Transportation Improvement Fund (STIF). Monies are first distributed to the Oregon Department of Transportation (ODOT) by the Oregon Transportation Commission to pay for program administration and projects of statewide significance that support the transit network and operation of public transportation services. After these distributions, the remaining funds are distributed with 90% to qualified entities, 9% to public transportation service providers, and 1% for ODOT’s statewide public transportation technical resource center.

While intergovernmental entities are added to the definition of “qualified entity,” the measure does not specify when funding should be distributed to intergovernmental entities instead of other qualified entities under the current methodology described in ORS 184.758. As a result, it is unclear if funding could even be distributed to these intergovernmental entities given that these bodies are not explicitly included in the funding methodology.

The measure also repeals the Joint Committee on Transportation, and changes requirements for dismantler certificates.

**Fiscal Analysis**

The fiscal impact for ODOT is indeterminate at this time.

Oregon Department of Transportation

The fiscal impact for ODOT is indeterminate at this time. Due to the revenue shortfall in the State Highway Fund, ODOT does not have sufficient revenue to cover the costs associated with this bill therefore General Fund is required for any expenses.

The measure requires ODOT to assess the Department's needs for training on best practices, including but not limited to, best practices for community engagement, project delivery, and effective multimodal safety design. Initial estimates are that just the assessment would require one limited duration, full-time Planner 3 position (0.50 FTE in the 2025-27 biennium and 0.25 FTE in the 2027-29 biennium) at an estimated cost of \$144,711 General Fund in the 2025-27 biennium and \$72,354 General Fund in the 2027-29 biennium. The measure requires ODOT to assess the need for this training but does not actually require the agency to implement the training, and ODOT would need to request additional budgetary resources once the assessment is complete in order to implement any training identified.

The measure requires ODOT to establish a department of transportation university based on a survey of other state departments of transportation that use this system, though the measure does not define what a "department of transportation university" is or how it would function. The fiscal impact of establishing a department of transportation university is indeterminate. If the measure intends for ODOT to develop a technical training program for staff, initial estimates are that this could include costs of approximately \$288,718 in the 2025-27 biennium and \$571,009 in the 2027-29 biennium, which includes one permanent, full-time Program Analyst position (0.50 FTE in the 2025-27 biennium and 1.00 FTE in the 2027-29 biennium) to develop and manage the program, and an estimated \$300,000 per biennium in consultant costs to develop curriculum and support trainers, as well as any administrative support costs. However, the actual resources needed for the department of transportation university will not be known until the requirements for a department of transportation university are more clearly defined, and ODOT has completed the survey of other state transportation departments. Therefore, the costs could be more or less than the amounts included here.

ODOT may require additional funds or staffing to create a database equivalent to the Washington State Department of Transportation Gray Notebook. ODOT does currently have a State of the System Dashboard, but it is not clear what metrics should be used to determine if this is equivalent to the Gray Notebook. If ODOT needs to update the Dashboard to include additional data, or if ODOT is required to update the Dashboard when any updates are made by the Washington State Department of Transportation to the Gray Notebook in order to maintain equivalency, additional resources may be required.

ODOT is also directed to centralize project delivery efforts and focus the Department's regional offices on highway operation and maintenance. While the measure does not state any required timelines for this work, initial estimates indicate that contracting for this work, which will include evaluating the structure of other state departments of transportation and creating a reorganization plan, could cost approximately \$2.5 million to \$3 million General Fund, with the work occurring over two years. This initial number is based on ODOT hiring a team of four consultants who will work on the project for two years at an estimated cost of \$200 per person per hour. It is not clear how long it would take the agency to establish a contract for this work, but the total costs would likely be split across the current and next biennium. Any additional costs or savings related to centralizing project delivery efforts are indeterminate at this time.

Other entities

There is no fiscal impact for the Legislative Assembly, and minimal impact for cities, counties, and special districts.

**Relevant Dates**

The measure takes effect on the 91st day after sine die.

By December 27, 2027, ODOT is to assess the needs for best practices training.

By December 31, 2027, ODOT is to report to the committees or interim committees of the Legislative Assembly related to transportation on progress in implementing audit recommendations under section 1, chapter 1, Oregon Laws 2025 (special session) and transportation design practices in ORS 184.748; and establishment of a department of transportation university.

ODOT is to report quarterly to the committees or interim committees of the Legislative Assembly related to transportation, on progress in creating a database.