



# OREGON



1000  
friends  
of Oregon

in

# MOTION



*The development and  
impacts of HB 2017 and  
recommendations for a 2025  
transportation package*

**Report by Cassie Wilson**

## FOREWORD

Land use and transportation represent two sides of one coin: The way we connect our communities through various transportation systems impacts the way we use our land. This idea is well rooted in the research history 1000 Friends of Oregon takes pride in – all the way back to the seminal report Making the Land Use, Transportation, Air Quality Connection (LUTRAQ). That report demonstrated how both transportation funding and policy for roads have a direct impact on the air we breathe, and also accelerate the conversion of working lands at the edge of our urban growth boundaries into development, which is at odds with the mission of 1000 Friends and the land use system.

At the risk of repeating, Oregon, and the planet, is currently going through an immense period of change dictated by a need to decarbonize and address climate change. Our changing climate is now the predominant theme on the landscape in Oregon. It is impacting our drinking water, agricultural systems, human health, and infrastructure. Within just a few short years, our frame of reference has shifted; it's clear that the climate crisis is here, and isn't just some future problem for us to navigate.

When we take stock of this reality, it's evident we need to reconsider our approaches to transportation policy. In Oregon, transportation is responsible for 40 percent of our carbon emissions (the largest of any sector), and the Intergovernmental Panel on Climate Change (IPCC) has explicitly stated the transition to electric vehicles will not be enough on its own to decrease emissions below the 1.5 degrees Celsius warming target we must reach in order to avoid the most catastrophic impacts of climate change. In fact, mixed development, transit-oriented design, and other land use reforms can account for a 25 percent reduction in greenhouse gas emissions. This underscores the need to rethink the who, how, where, and why of our transportation system, or we risk perpetuating a financially, and environmentally unsustainable transportation system that is increasingly unsafe for all users.

Because we tend to make major transportation investments in packages, understanding Oregon's transportation policy history and past packages is a critical step in understanding the current status of transportation policy and funding. Cassie Wilson's research in this 2023 Gerhardt Report, *Oregon in Motion: The Development and Impacts of HB 2017 and Recommendations for a 2025 Transportation Package*, establishes a detailed throughline and narrative between our last major transportation package, HB 2017, and the present as Oregon prepares for a 2025 transportation package. This research included watching old committee hearings, reading past testimony, conducting stakeholder interviews with advocates and elected officials, and researching policy in detail to build a digestible narrative. Many stakeholders stated they had fuzzy memories of

the last transportation package in the six years since, and some were not involved in transportation policy in 2017, underscoring the need to establish context and direction. Wilson has masterfully done this while distilling a mind-boggling amount of interviews, primary sources, and policy documents.

Also worth commending is Wilson's integrated approach to equity in this report. You won't find a separate section that addresses injustices in our transportation system, but rather consistent integration across the entire report on how our transportation system continues to perpetuate disparities for communities of color, people living with a disability, youth and older adults, immigrants, and many other groups that have been disenfranchised by our transportation system.

While this report may not represent every possible view within the big tent of transportation policy and organizing, it reinforces both the large opportunities and challenges before our state as we seek to shift our transportation paradigm to address the multiple crises playing out in Oregon.

—Brett Morgan, transportation director,  
1000 Friends of Oregon

## ABOUT THIS REPORT

This report was researched and written by 1000 Friends of Oregon's 2023 Gerhardt Intern, Cassie Wilson. It documents Oregon's 2017 state transportation package, HB 2017, including how it was drafted, political considerations, implementation, and impacts. It uses these findings to make recommendations for a future transportation package, expected in the 2025 Oregon legislative session.

## ABOUT 1000 FRIENDS OF OREGON



1000 Friends of Oregon is a statewide land use advocacy organization with staff working from Southern Oregon, the Mid-Valley, and Portland. Founded in 1974, our mission is to work with Oregonians to enhance quality of life by building livable urban and rural communities, protecting family farms and forests, and conserving natural areas.

## ACKNOWLEDGMENTS AND CREDITS

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## EXECUTIVE SUMMARY

Land use and transportation are deeply intertwined. Oregon has 19 statewide planning goals to guide the development of local comprehensive land use plans.<sup>1</sup> Goal 12 is dedicated to how the state and local governments plan transportation in a way that promotes efficient land use that protects natural and working lands at the edge of our urban growth boundaries (UGBs). The transportation system we build shapes the development of our communities, and vice versa. The extent to which transportation plans go from paper to completed projects is dependent on funding priorities and policies at the local and state levels, which means the recurring state transportation package plays an important role in shaping the look and feel of our communities.

Before Oregon's last major transportation package, House Bill 2017, the state legislature attempted but did not pass a package in 2015. State leadership identified the need for increased sustainable funding sources for transportation, particularly for road and bridge maintenance. Many



Governor Kate Brown signing HB 2017 (courtesy ODOT, CC BY 2.0 DEED).

stakeholders felt the 2015 package was driven by the Oregon Department of Transportation (ODOT) more than communities, and that it didn't reflect the diversity of needs across the system and state. Much of the written testimony contained concerns that the development process felt rushed and incomplete. Near the end of session, the package fell apart when lawmakers learned that ODOT greatly overstated its greenhouse gas (GHG) emissions-reduction impacts compared with the realistic models.

After the failure of the 2015 package, work almost immediately resumed to develop a package for the 2017 session.

<sup>1</sup> "History of Land Use Planning," Oregon Planning, Department of Land Conservation and Development, accessed August 17, 2023, <https://www.oregon.gov/lcd/OP/Pages/History.aspx>.

The resulting bill, HB 2017, or Keep Oregon Moving, represented hard and intentional work from lawmakers, local governments, and advocates collaborating to build a shared vision. The fallout from 2015 led to more robust community and stakeholder engagement for HB 2017. A transportation panel – put together by the governor’s office, a joint committee in the legislature, stakeholders with the Oregon Transportation Forum, and a coalition of transportation advocates – worked to build consensus across the state for a successful package. Advocates and stakeholders sat alongside legislators at policymaking tables.

The bill’s main goal was to increase and diversify sustainable transportation revenue for all modes, which it did. HB 2017 included:

- increases to gas taxes and registration fees to fund roadway and bridge projects, maintenance and operations, megaprojects, and Safe Routes to School infrastructure;
- a vehicle dealer privilege tax to fund electric-vehicle rebates and multimodal transportation projects;
- an employee payroll tax to fund public transportation;
- a bike excise tax to fund off-roadway multiuse pathways;
- new direction to implement a value-pricing program in the Portland metro area to relieve congestion; and,
- increased accountability and leadership-responsibility measures for ODOT, the Oregon Transportation Commission (OTC), and the legislature.

Most of HB 2017’s local roadway and bridge projects are built or nearing completion. All of its grant programs are

oversubscribed (meaning they’re popular, but receive more requests for funding than is available) and making positive impacts on Oregonians’ lives. The transit funding in particular has proved transformative for providers around the state that increased service hours, routes, and frequencies, especially in communities with low incomes. On the other hand, megaprojects, such as the I-5 Rose Quarter Improvement Project, are on pause because financing is still a major issue. While HB 2017 increased and diversified funding, it didn’t address the state’s reliance on unsustainable, declining gas-tax revenue – a contributing factor in the State Highway Fund being on track to be completely empty by 2027.

Now, Oregon legislators, transportation advocates, and transportation stakeholders are beginning discussions around the next big legislative package, anticipated for 2025. A lot has happened since 2017 – local climate impacts, a pandemic, inflation, and more. The next package must account for the needs of Oregonians today, and for generations to come.

## **RECOMMENDED POLICY FOCUS AREAS FOR THE NEXT TRANSPORTATION PACKAGE:**

### **Increase sustainable transportation revenue sources for all modes.**

Oregon continues to have more transportation needs than dollars to meet those needs. Gas-tax revenue is in permanent decline and is limited in the types of projects it can fund. The next transportation package must address the need for long-term, sustainable transportation-funding sources. Funding mechanisms should not disproportionately impact Oregonians with low incomes and should not rely

on sustaining current levels of vehicle miles traveled (VMT) or higher.

### **Identify and fill gaps in the transportation system.**

HB 2017 created new funding sources for several new, successful programs, so the next package should adequately fund programs to continue making an impact. HB 2017 also identified several neglected state highways, also known as orphan highways, that act as main streets and that ODOT should transfer to local jurisdictions, but it didn't identify a funding source to get the roads up to an acceptable standard for transfer. Both state and local governments continue to need more funding for maintenance and operations.

The next package should address climate, safety, and equity gaps. The state has been failing to meet its climate goals on transportation, and this next package needs to reduce both emissions and VMT through policy and investments. Safety projects should focus on eliminating fatal crashes, with emphasis on vulnerable users, such as pedestrians, who are experiencing increasing traffic fatalities. All programs and projects should help build a more equitable transportation system in which all users' needs are met.

### **Address impacts of transportation-infrastructure investments on communities.**

New transportation infrastructure, especially investments in public and active transportation, can make a community a more desirable place to live, which can increase housing costs and displace current residents. The next transportation package should ensure the people projects intend to



Example of transit-oriented development (courtesy Metro).

benefit can afford to stay in their communities as they grow or change. It should also address past and present harms caused by transportation projects; communities of color have historically been underinvested in while also disproportionately experiencing some of the most negative impacts of transportation, like air and noise pollution and traffic violence.

### **Increase accountability and transparency.**

It should be easier for the public, advocates, and transportation stakeholders to find where transportation funds are being spent and learn about their impact on Oregonians' lives. Impact reporting needs to be more comprehensive, easily accessible, and consistent across all modes.

The Oregon Transportation Commission should better reflect the diversity and geographic spread of the communities it serves. Community engagement around the development and implementation of the next transportation package should be thoughtful, extensive, on a multiyear timeline, and inclusive so community members can see the impact of their input.



## 1: ACKNOWLEDGEMENT OF GAPS

We made good-faith efforts to reach a broad spectrum of transportation stakeholders, though research for this report was limited by people’s capacity and timely responses. While this work represents the thoughts and considerations of 1000 Friends of Oregon and collective knowledge, there may be instances in which we have missed political or policy nuance due to this. We have tried to minimize this whenever possible. Research was also limited by what’s easily discoverable online, and many older web pages and documents are buried on ODOT’s website or are connected to broken links. This made doing research on implementation, reporting, and impacts more complicated.

Perspectives that need further consideration include freight, rail, marine, air, vehicle electrification, labor, and historically marginalized communities not already engaged in transportation-policy development and decision-making.

Left: E-scooter users in Portland (courtesy Metro, CC BY-NC-ND 2.0 DEED).

## 2: INTRODUCTION

About every eight years, the Oregon State Legislature passes a new transportation-funding package. The last transportation package passed was House Bill 2017, also known as Keep Oregon Moving, in 2017. Many of the projects named in HB 2017 are nearing completion, and the transit, bike, pedestrian, and multimodal grant programs created by HB 2017 have completed a few funding cycles. Now lawmakers, public officials, and transportation advocates are beginning to envision a 2025 transportation package. The transportation infrastructure investments made by legislators in 2025 will have generational impacts.

This report will look at how HB 2017 came together and its impacts, then recommend focus areas to be addressed in 2025. Information for this report comes from online research and interviews. The audience of this report is lawmakers, transportation advocates, and transportation stakeholders (i.e., local governments, transportation agencies, businesses or industry groups, system users not engaged in advocacy, etc.). We hope this research can be an opportunity to



Mobility device user traveling on sidewalk in Portland's St. Johns neighborhood (courtesy Metro, CC BY-NC-ND 2.0 DEED).

find alignment and common ground as we move toward this next package.

### 2.1 LAND USE, TRANSPORTATION, AND EQUITY

Oregon's statewide land use planning program was established under Governor Tom McCall in 1973 by Senate Bill 100, with the goal of creating a comprehensive, statewide planning system that would integrate, protect, and help cultivate aspects that make Oregon liveable and lovable.<sup>2</sup> The legislature's documentation indicates the breadth and depth of change intended by SB 100, noting:

<sup>2</sup> "History of Land Use Planning," Oregon Planning, Department of Land Conservation and Development, accessed August 17, 2023, <https://www.oregon.gov/lcd/OP/Pages/History.aspx>.

- the importance of protecting farm and forest lands for food and fiber production and natural resource values;
- that urban expansion into rural areas increases costs of community services and causes loss of farmland and other natural areas;
- that all Oregonians should have equitable housing opportunities; and
- that Oregon should have a safe, convenient, and affordable transportation system that includes all modes of transportation.

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**The further cities sprawl outward, the more we must build and maintain transportation infrastructure, which increases overall infrastructure costs.**

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The bill created the Land Conservation and Development Commission, which adopted Oregon’s Statewide Planning Goals and Guidelines, intended to be achieved through local comprehensive planning. Each city and county must adopt a comprehensive plan that complies with the goals and includes the zoning and related ordinances needed to implement the plan.<sup>3</sup> There are now 19 land use planning goals that cover a wide range of topics; Goal 12 is dedicated to how the state and local governments plan transportation.

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<sup>3</sup> “Oregon’s Statewide Land Use Planning Goals,” Oregon Planning, Department of Land Conservation and Development, accessed August 17, 2023, <https://www.oregon.gov/lcd/OP/Pages/Goals.aspx>.

## Oregon’s Statewide Planning Goal 12

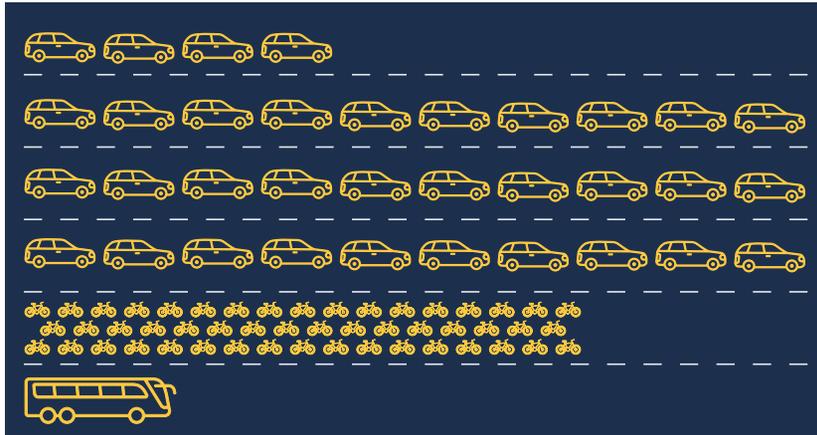
Goal 12 calls on local jurisdictions, “To provide and encourage a safe, convenient and economic transportation system. A transportation plan shall

- (1) consider all modes of transportation including mass transit, air, water, pipeline, rail, highway, bicycle and pedestrian;
- (2) be based upon an inventory of local, regional and state transportation needs;
- (3) consider the differences in social consequences that would result from utilizing differing combinations of transportation modes;
- (4) avoid principal reliance upon any one mode of transportation;
- (5) minimize adverse social, economic and environmental impacts and costs;
- (6) conserve energy;
- (7) meet the needs of the transportation disadvantaged by improving transportation services;
- (8) facilitate the flow of goods and services so as to strengthen the local and regional economy; and
- (9) conform with local and regional comprehensive land use plans.”

It goes on to say, “Each plan shall include a provision for transportation as a key facility.”<sup>4</sup>

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<sup>4</sup> “Goal 12: Transportation,” Oregon Planning, Department of Land Conservation and Development, accessed July 28, 2023, <https://www.oregon.gov/lcd/OP/Documents/goal12.pdf>.



50 people traveling by bus or bike use a lot less space on the street than 50 people traveling in separate cars that then all need parking.

Our access to transportation options affects where we live, work, study, and recreate, and vice versa. Issues like land use, transportation, housing, and equity can't be looked at in silos – they're interconnected. The further cities sprawl outward, the more we must build and maintain transportation infrastructure, which increases overall infrastructure costs. Sprawl destroys farmland, forests, and other natural areas, bringing communities closer to wildfire-, flood-, and landslide-prone areas.

The transportation system we choose to develop takes varying amounts of land; this affects how efficiently we use space within urban growth boundaries and encourages different development patterns. For example, 50 people traveling by bus or bike use a lot less space on the street than 50 people traveling in separate cars that then all need parking. Often, when cities build outward, public and active transportation infrastructure doesn't expand with new



Examples of transit-oriented development. (Images courtesy Metro)

developments, leaving out neighborhoods dependent on the motor vehicle network. The more cities sprawl, the more we tend to get locked into driving as the primary and only effective means of transportation.

Most people believe getting around without a car is easier and more pleasant in a community with mixed-use zoning, frequent transit, complete sidewalk and bikeway networks, and slower, narrower streets. Likewise, being a pedestrian

is more challenging and dangerous in a rural community on roads without safe shoulders, or in a city with a neglected, high-speed state highway as a main street – for example, TV Highway in Washington County and parts of NE 3rd St in Bend. Often, people don't have much choice over their transportation options, because areas with quality sidewalks, bike networks, and transit typically have higher housing costs than their counterparts, which have been comparatively underfunded and underdeveloped. Sometimes improvements to transportation infrastructure increase housing costs, displacing people living there. Not only would those residents not benefit from the improvements, but also by being pushed farther out, their transportation burden would increase from having to commute farther to work.

Many Oregon communities face negative impacts from auto-centric transportation. Construction of the interstate highway system amplified sprawl and divided historically Black

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**People don't have much choice over their transportation options, because areas with quality sidewalks, bike networks, and transit typically have higher housing costs.**

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neighborhoods, such as I-5 through Albina in Portland. The interstate system was designed primarily for the benefit of white suburban commuters at the expense of those living in the city – particularly Black communities and communities of color, who already faced widespread racial discrimination and environmental racism. Oregon's reliance on cars



Top: TV Highway in Washington County (courtesy Metro, CC BY-NC 2.0 DEED).  
Bottom left: I-5 under construction (courtesy Portland Bureau of Transportation, CC BY-NC-ND 2.0 DEED). Bottom right: I-5 Rose Quarter in 2022 (courtesy ODOT, CC BY 2.0 DEED).

contributes to traffic violence, air and noise pollution, greenhouse gas emissions, increased costs of living, and hotter cities due to the urban-heat-island effect from the impervious surfaces of roadways and parking lots.

Oregon inequitably funds transportation across modes, in part due to Oregon’s constitutionally restricted State Highway Fund, which has made it easier to invest in automobile infrastructure than other modes of transportation. This especially impacts the approximately one in four Oregonians who don’t have a driver’s license.<sup>5</sup> This group includes many people with disabilities, older adults, youth, undocumented immigrants who may be eligible for a license

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**“When we leave gaps in essential parts of the transportation system, people have to cover them one way or another with time, money, and energy they don’t necessarily have to spare.” —Indi Namkoong, transportation justice coordinator, Verde**

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but uncomfortable interfacing with the government, people who can’t afford the costs of car ownership, and people who choose not to drive.

While vehicle electrification is key to achieving Oregon’s climate goals, we still need to reduce overall vehicle miles traveled to lessen the negative impacts of cars on people’s quality of life. In many of its transportation projects, Oregon has disregarded the phenomenon of induced demand – widened

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<sup>5</sup> According to ODOT, Oregon has nearly 3.1 million licensed drivers. Oregon’s total population, as of the 2020 Census, is 4.2 million. ODOT, “DMV Key Facts,” accessed September 6, 2023, <https://www.oregon.gov/odot/dmv/pages/news/factsstats.aspx>.

<sup>6</sup> Oregon Administrative Rules, 660-012-0160, <https://secure.sos.state.or.us/oard/displayDivisionRules.action?selectedDivision=3062>.

roadways are quicker and more convenient, so more drivers use them, leading to congestion – so highway expansions have further contributed to sprawl and inefficient urban land use. Oregon’s Climate Friendly and Equitable Communities rules are designed to begin addressing this – cities and counties subject to the rules must project transportation system plan updates to reduce VMT in scale with the jurisdiction’s GHG emissions-reductions targets.<sup>6</sup>

Oregon is at a critical point for reassessing transportation-funding mechanisms and priorities. As many people have said before, a budget is a moral document. Every investment has an impact that can move Oregon closer to or further from its stated goals. Will the state continue down the path of declining gas-tax revenue and building megaprojects? Or, will the legislature reckon with climate change and systemic inequities to chart a new path forward in 2025?

### **State Highway Fund constitutional restrictions<sup>7</sup>**

Article IX, Section 3a, of the Oregon Constitution requires that, “revenue from taxes on motor vehicle use and fuel . . . shall be used exclusively for the construction, reconstruction, improvement, repair, maintenance, operation and use of public highways, roads, streets and roadside rest areas in this state.”

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<sup>7</sup> Oregon Constitution, art. IX, sec. 3a, [https://www.oregonlegislature.gov/bills\\_laws/Pages/OrConst.aspx](https://www.oregonlegislature.gov/bills_laws/Pages/OrConst.aspx).



An electric vehicle user charges their car in Springfield (courtesy ODOT, CC BY 2.0 DEED).

## 3: HB 2017 – KEEP OREGON MOVING

### 3.1 DEVELOPMENT OF HB 2017

It takes a lot of heavy lifting to put together a package that could pass the House and the Senate with the two-thirds majority required to raise taxes. HB 2017 was not the first attempt at a new state transportation-funding package; it came after a failed attempt in the 2015 legislative session.

#### 3.1.1 Failure of the 2015 Package

In 2014, reports from ODOT and the League of Oregon Cities showed that roads around the state needed maintenance investments or they'd continue deteriorating.<sup>8</sup>

Governor John Kitzhaber called for short-term transportation funding and a long-term vision for Oregon's transportation system and how it's funded.<sup>9</sup> The Oregon Transportation Forum (OTF) – a nonprofit membership organization composed of transportation stakeholders, including local governments – put forth recommendations on how the state might address its funding challenges and meet needs across all modes of transportation.<sup>10</sup> Additionally, Gov. Kitzhaber established a Transportation Vision Panel – made up of state legislators, industry leaders, and community representatives – which was to have completed a report in 2015.<sup>11</sup> But according to meeting records, the panel stopped meeting the same month Gov. Kitzhaber resigned.<sup>12</sup> Despite this, the legislature pushed forward on a package during the 2015 session.

HB 2281, the bill proposed in 2015, ultimately imploded at the end of session when ODOT admitted that they drastically overestimated the emissions reductions that would result from addressing traffic congestion.<sup>13</sup> They initially estimated a reduction of 2.02 million metric tons over 10 years, but the new estimates turned out to be just 430,000 metric tons.<sup>14</sup> They even overestimated the emissions reduction expected

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8 Peter Wong, "Kitzhaber: Short-term fix, long-term vision for transportation needs," Portland Tribune, December 2, 2014, [https://www.portlandtribune.com/news/kitzhaber-short-term-fix-long-term-vision-for-transportation-needs/article\\_a162bee3-7b19-5952-963a-5b21aa18d84f.html](https://www.portlandtribune.com/news/kitzhaber-short-term-fix-long-term-vision-for-transportation-needs/article_a162bee3-7b19-5952-963a-5b21aa18d84f.html).

9 Wong, "Kitzhaber."

10 Wong, "Kitzhaber." Oregon Transportation Forum website, accessed August 1, 2023. <http://www.oregontransportationforum.com/>.

11 Wong, "Kitzhaber." Rob Davis, "Oregon Governor John Kitzhaber resigns amid criminal investigation, growing scandal," The Oregonian, February 13, 2015, [https://www.oregonlive.com/politics/2015/02/gov\\_john\\_kitzhaber\\_resigns\\_ami.html](https://www.oregonlive.com/politics/2015/02/gov_john_kitzhaber_resigns_ami.html).

12 "Meeting Minutes," Governor's Transportation Vision Panel, accessed August 1, 2023, <https://visionpanel.wordpress.com/meeting-minutes-2/>.

13 Ian K. Kullgren, "How the Legislature's \$343.5 million transportation deal fell apart," The Oregonian, June 26, 2015, [https://www.oregonlive.com/politics/2015/06/how\\_the\\_legislatures\\_transport.html](https://www.oregonlive.com/politics/2015/06/how_the_legislatures_transport.html).

14 Kullgren, "Deal fell apart."

from electric-vehicle charging-station investments.<sup>15</sup> The emissions-reductions piece had been a critical selling point for House Democrats and environmentalists as the package was being pitted against SB 324, which established the Oregon Clean Fuels Program.<sup>16</sup> The Clean Fuels Program had a 10-year target of reducing GHG emissions by 7.7 million metric tons, by reducing the carbon in diesel and gas by 10 percent by 2025, making SB 324 the more effective bill on addressing climate change.<sup>17</sup> It's worth noting that the Clean Fuels Program was years in the making and signed into law in March 2015, while the transportation package didn't have its first comprehensive public bill draft posted until June 23, 2015 – less than a month before the end of session.<sup>18</sup>

The 2015 bill did not include much of the Oregon Transportation Forum's proposals at the time, which focused more on investments needed across modes than on suggested finance mechanisms.<sup>19</sup> OTF had recommended increased funding for road maintenance and operations, an orphan-highway pilot program to facilitate jurisdictional transfers, an expanded multimodal "Enhance" program, and a closer look at how various modes connect and impact one another. OTF also called for increased funding for

transit services for Oregonians who are older or disabled, increased funding for youth transit access, and restored funding for Connect Oregon (air, rail, marine, bicycle, pedestrian, and transit) projects.

Instead, HB 2281, the vehicle for the 2015 package, focused heavily on highway and interstate expansions across the state, primarily in the Portland metro region, where it was counting on congestion and emissions reductions.<sup>20</sup> Advocates have been pointing out for years that high-

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**Advocates have been pointing out for years that highway expansion projects don't lessen congestion or help meet climate goals but instead induce more driving, more emissions, and more sprawl.**

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way expansion projects don't lessen congestion or help meet climate goals but instead induce more driving, more emissions, and more sprawl. Given this, the inaccuracy of ODOT's emissions-reduction hopes in the 2015 package is unsurprising. Despite naming so many megaprojects, the

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15 Kullgren, "Deal fell apart."

16 Kullgren, "Deal fell apart."

17 Kullgren, "Deal fell apart." Hannah Hoffman, "Gov. Kate Brown signs clean-fuels bill," Statesman Journal, March 12, 2015. <https://www.statesmanjournal.com/story/news/politics/2015/03/12/gov-kate-brown-signs-bill-carbon-fuel-standard/70224266/>.

18 Hoffman, "Clean-fuels bill." Oregon State Legislature, "HB 2281 Amendments," 2015 Regular Session, accessed August 1, 2023, <https://olis.oregonlegislature.gov/liz/2015R1/Measures/ProposedAmendments/HB2281>.

19 Oregon Transportation Forum, *Keeping Oregon Moving: 2015 Transportation Funding and Policy Recommendations*, 2015.

20 "HB 2281 Amendments," June 24, 2015.

bill allocated a completely inadequate \$124.6 million toward the bulk of them.<sup>21</sup> Though legislators saw the I-5 Rose Quarter, I-5 Boone Bridge, and Highway 217 Projects as essential in 2017, they were not named anywhere in the 2015 proposed legislation.

HB 2281 would have increased the gas tax, related heavy-vehicle tax, and registration fees.<sup>22</sup> It proposed how to allocate that revenue: 49 percent to bridges, 32 percent to highway bond debt service, and 19 percent to state highway maintenance, preservation, and safety.<sup>23</sup> The bill proposed a mass-transit payroll tax, but the tax was less comprehensive and equitable and more restrictive than the one that ended up in HB 2017.<sup>24</sup> The tax did nothing to help smaller transit providers across the state, which vary in governmental structures.

HB 2281 proposed electric-vehicle incentives and charging-infrastructure funding, but these would have been funded through public purpose charges, diverting money from other climate programs.<sup>25</sup> The bill also emphasized

incentives for vehicles powered by compressed natural gas (CNG). While CNG does result in fewer tailpipe emissions than conventional fuels, it is still a fossil fuel and not a zero-emissions climate solution.<sup>26</sup> CNG is mostly methane, which, when leaked into the atmosphere, has a significantly higher global-warming potential than carbon dioxide.<sup>27</sup> (It doesn't seem like a coincidence that the bill proposal heavily emphasized CNG, considering the cochair of the Transportation Vision Panel was the president and CEO of NW Natural.<sup>28</sup> It shows the impact of who has a seat and power at policymaking tables.)

Much of HB 2281's written testimony did not support the bill.<sup>29</sup> Many stakeholders felt the process was rushed and exclusive, prioritized private interests over public needs, and left out many key investments called for by OTF and advocates in the Transportation for Oregon's Future coalition, composed of climate, transportation, and social-justice organizations.<sup>30</sup> While the community and stakeholders did their homework for a 2015 package, the legislature had not come together to create a successful package. The failure to pass a

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21 "HB 2281 Amendments," (2015). 23-8.

22 "HB 2281 Amendments," (2015). 1-22.

23 "HB 2281 Amendments," (2015). 23-8.

24 "HB 2281 Amendments," (2015). 42-6.

25 "HB 2281 Amendments," (2015). 66-7.

26 "Learn About Green Vehicles -- Compressed Natural Gas," U.S. Environmental Protection Agency, Green Vehicle Guide, last updated June 2, 2023, <https://www.epa.gov/greenvehicles/learn-about-green-vehicles-compressed-natural-gas>.

27 Kate Griffin, "Compressed natural gas vehicles: Why they are just as bad," Green Economy Journal, January 31, 2023, <https://greeneconomyjournal.com/explainer/compressed-natural-gas-vehicles-why-they-are-just-as-bad/>.

28 "Panel Roster," Governor's Transportation Vision Panel, accessed August 2, 2023, <https://visionpanel.wordpress.com/panel-roster/>.

29 "HB 2281 Testimony," June 2015.

30 "HB 2281 Testimony," (2015).

transportation package in 2015 catalyzed leaders to immediately begin to develop a successful package for 2017.

### 3.1.2 The Lead Up to 2017

Governor Kate Brown reconvened the Transportation Vision Panel in fall 2015.<sup>31</sup> At the same time, OTF and the Transportation for Oregon's Future coalition regrouped and continued to bring more stakeholders into the conversation around a 2017 transportation package. The governor's panel met in subcommittees throughout 2015, then went on a listening tour around the state in the first part of 2016.<sup>32</sup> It produced a report with its findings, *One Oregon: A Vision for Oregon's Transportation System*.<sup>33</sup>

The report – in combination with a new proposal from OTF and the comments of community members and advocates from around the state – set a much more comprehensive foundation for a transportation package that better reflected requests from stakeholders around the state. The legislative Joint Committee On Transportation Preservation and Modernization held statewide meetings in summer 2016 to continue hearing from the public while the committee

worked.<sup>34</sup> Subcommittee meetings rolled over into the legislative session as they continued working on the bill.

The *One Oregon* report identified maintenance and preservation, seismic resiliency, congestion reduction, and transit, bicycle, and pedestrian infrastructure as key prior-

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**Advocates say HB 2017 had one of the most inclusive and engaging processes to date around the development of a state transportation package.**

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ities across the state.<sup>35</sup> OTF focused more on suggesting diversified funding mechanisms than they previously had in 2015 and expanded significantly on the modes and projects where they wanted investments.<sup>36</sup> The Transportation for Oregon's Future coalition called for a people-focused approach that prioritized transit, Safe Routes to School, and climate change.<sup>37</sup> Many recommendations and key policy areas from the report, OTF, and the coalition can be found in HB 2017.

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31 Legislative Policy and Research Office, *Funding Transportation Background Brief*, Oregon State Legislature, September 2016. 8. <https://www.oregonlegislature.gov/lpro/Publications/BB2016FundingTransportation.pdf>.

32 "Meeting Minutes," Governor's Transportation Vision Panel, accessed August 3, 2023, <https://visionpanel.wordpress.com/meeting-minutes-2/>. "Regional Forums," Governor's Transportation Vision Panel, accessed August 3, 2023, <https://visionpanel.wordpress.com/regional-forums/>.

33 Transportation Vision Panel, *One Oregon: A Vision for Oregon's Transportation System*, State of Oregon, May 2016, <https://visionpanel.files.wordpress.com/2016/05/one-oregon-final-report-print-version2.pdf>.

34 "Joint Committee on Transportation Preservation and Modernization Summer Meetings," Association of Oregon Counties, June 8, 2016, <https://oregoncounties.org/joint-committee-transportation-preservation-modernization-summer-meetings/>.

35 Transportation Vision Panel, *One Oregon*, (2016). 47.

36 Oregon Transportation Forum, *A Framework For Investment: 2017 Transportation Funding And Policy Recommendations*, 2017.

37 Transportation for Oregon's Future, *Working Together for Diverse Transportation Options for Oregon*, February 2017, [https://oeconline.org/wp-content/uploads/2017/02/Transportation-Booklet\\_2-13-17.pdf](https://oeconline.org/wp-content/uploads/2017/02/Transportation-Booklet_2-13-17.pdf).



An open house on value pricing in 2018 (courtesy ODOT, CC BY 2.0 DEED).

Advocates say HB 2017 had one of the most inclusive and engaging processes to date around the development of a state transportation package. That said, when it came time to review 200-page bill drafts and the pressure was on to get the votes to pass the bill, advocates could do very little to change the bill.<sup>38</sup> Some legislators were not receptive to public comments to modify their work.<sup>39</sup> In response to testimony during public hearings, they would question and scold community leaders who expressed concerns over regressive taxation mechanisms or who didn't understand the intricacies of a lengthy bill that had been released not long before the hearing.<sup>40</sup> Still, the community's impact can be seen in funding for public transportation across the state, Safe Routes to School infrastructure grant funding, the preservation of Oregon's Clean Fuels Program, and funding for multiuse bicycle and pedestrian paths. Other successes noted by advocates and stakeholders included additional allocations from the State Highway Fund toward road maintenance in small cities and counties, and the inclusion of value pricing as a new funding mechanism.

As is often the case with any large funding package, everyone gets something, but no one gets everything. People concerned about congestion wanted more megaprojects, while climate- and transportation-justice advocates wanted

### **Value Pricing**

Value pricing, also known as congestion pricing, is a road pricing system designed to relieve congestion by charging drivers more to use certain roadways at peak traffic volumes in congested areas. It serves as a signal encouraging motorists to change the time of their trip or to use public or active transportation options instead, if available.

none. Most people wanted increased funding for bicycle and pedestrian infrastructure, but advocates were frustrated by the inclusion of a new tax on the sale of new bicycles.

Similarly, most people wanted to see public-transit funding increase, but some people really struggled to accept the flat payroll tax, which is largely why the bill prioritized using new revenue to meet transit needs of communities with low incomes. Some community leaders testified that wealthy individuals and corporations who can afford to pay more should be taxed instead of working-class people and people with low incomes.<sup>41</sup>

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38 Interview with advocate, July 19, 2023.

39 Interview with advocate, July 18, 2023. Interview with advocate, July 19, 2023.

40 *Joint Committee On Transportation Preservation and Modernization 2017-06-07 5:00 PM*, 79th Oregon Legislative Assembly. (2017). <https://olis.oregonlegislature.gov/liz/mediaplayer/?clientID=4879615486&eventID=2017061204>.

41 Steve Demarest, President, SEIU Local 503, "Testimony on the Transportation Package," June 7, 2017, <https://olis.oregonlegislature.gov/liz/2017R1/Downloads/Committee-MeetingDocument/133091>. Jared Franz, Public Policy Coordinator, Amalgamated Transit Union Local 757, "Public Testimony Before the Joint Committee on Transportation Preservation and Modernization," June 7, 2017, <https://olis.oregonlegislature.gov/liz/2017R1/Downloads/CommitteeMeetingDocument/133081>.

There were mixed feelings around electric vehicles (EVs). Climate advocates wanted to incentivize their adoption, but stakeholders wanted to ensure EV drivers were paying their fair share toward their use of the road system since EV drivers don't pay the gas tax. This resulted in both rebates and fee increases for EVs.<sup>42</sup> The debate on EV fees is ongoing.

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**Overall, testimony was supportive of HB 2017, especially compared with the 2015 attempt. In 2017 any criticisms were mostly aimed at further improving it rather than throwing it out and starting over.**

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The accountability pieces of the bill may have been motivated by recent events surrounding the Oregon Transportation Commission (OTC). In 2015, a member of the OTC was dismissed for opposing a coal project.<sup>43</sup> According to *The Oregonian*, “. . . in nine years, the commission had never questioned the list of projects assembled by ODOT stakeholders, regional officials and staff.”<sup>44</sup> The accountability portion of HB 2017 seems to reiterate that it is the OTC's job to oversee ODOT, not just rubber-stamp their plans without question.

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42 HB 2017. (2017).

43 Rob Davis, “Catherine Mater, transportation commissioner fired for coal opposition, fires back at coal supporters,” *The Oregonian*, January 15, 2015, [https://www.oregonlive.com/environment/2015/01/catherine\\_mater\\_transportation.html](https://www.oregonlive.com/environment/2015/01/catherine_mater_transportation.html).

44 Davis, “Catherine Mater.”

45 Andrew Theen, “Supreme Court: Oregon's tax on new car sales can go toward electric vehicle rebates, other programs,” *The Oregonian*, August 2, 2018, [https://www.oregonlive.com/roadreport/2018/08/supreme\\_court\\_oregons\\_tax\\_on\\_n.html](https://www.oregonlive.com/roadreport/2018/08/supreme_court_oregons_tax_on_n.html).

46 Theen, “Supreme Court.”

47 HB 2017, 79th Oregon Legislative Assembly. (2017). <https://olis.oregonlegislature.gov/liz/2017R1/Measures/Overview/HB2017>.

The vehicle-dealer privilege tax was one of the more contentious parts of the bill. Oregon Trucking Associations and AAA of Oregon/Idaho were concerned about the revenues going to EV rebates and Connect Oregon instead of the State Highway Fund.<sup>45</sup> After the bill's passage, they asked the Oregon Supreme Court to rule on it. The allocation of vehicle-dealer privilege tax revenue was found to not be in violation of the state's constitution because it's a tax on vehicle dealers, not a tax on owning and operating a vehicle.<sup>46</sup>

Overall, testimony was supportive of HB 2017, especially compared with the 2015 attempt. Whereas stakeholders in 2015 didn't feel good about the package in general, in 2017 any criticisms were mostly aimed at further improving it rather than throwing it out and starting over.

### **3.2 COMPONENTS OF HB 2017**

This section covers the contents of the bill upon it becoming effective. Areas of focus included accountability measures, funding mechanisms, and the programs and projects for which new funds were dedicated.<sup>47</sup>

As is true of many major pieces of legislation, follow-up bills modified or built upon pieces of the original HB 2017.

*Components that were modified or expanded after HB 2017's passage are indicated by an asterisk (\*). (See section 3.3 for more information.)*

### 3.2.1 Accountability<sup>48</sup>

HB 2017 requires increased accountability measures. It delegates more power and responsibility to the Oregon Transportation Commission, including appointing the ODOT director\*, reviewing and approving more of ODOT's planned work, overseeing long-range state transportation planning, and reducing greenhouse gas emissions from transportation. It holds the OTC accountable by disallowing financial conflicts of interests of members\* at the time of appointment, and requires the commission to meet regularly, with improved recordkeeping.

To ensure maximum investment in the transportation system, HB 2017 also created the Continuous Improvement Advisory Committee to recommend to the OTC ways ODOT can increase efficiency. The bill requires more reporting from ODOT and the OTC, both to the legislature and to the public via a website. It established the Joint Committee on Transportation and tasked it with providing general

legislative oversight of ODOT in addition to policymaking. (See more about accountability at 3.4.1.)

### 3.2.2 Raising and Diversifying Transportation Revenue<sup>49</sup>

A primary focus of HB 2017, a \$5.3 billion package, was to increase and diversify Oregon's transportation funding, an effort that requires a three-fifths majority approval for passage. This was, in part, due to the declining gas-tax revenue.

The bill increased the gas tax and related heavy-truck fees. The gas-tax increases were conditional, based on an OTC report's justification and progress on state-transportation megaprojects. The bill also increased title and registration fees and indexed them to fuel efficiency (meaning that the more fuel-efficient a vehicle, the higher the fee). The gas tax, title, and registration fees are constitutionally required to go toward the State Highway Fund, which has restricted uses.<sup>50</sup> The increases, when all in place in 2024, have been projected to produce \$500 million annually for the State Highway Fund.<sup>51</sup>

HB 2017 included a 0.5 percent vehicle-dealer privilege tax to fund electric-vehicle rebates and the Connect Oregon multimodal-transportation program. It also created a \$15 bicycle excise tax to fund bike and pedestrian paths through

48 HB 2017. (2017). 1-12.

49 HB 2017. (2017). 14-75.

50 ODOT, "Keep Oregon Moving (HB 2017) Frequently Asked Questions," last updated February 27, 2018, 3. <https://digital.osl.state.or.us/islandora/object/osl%3A145950/datastream/OBJ/view>.

51 ODOT, "Frequently Asked Questions." 2.

Connect Oregon\*.<sup>52</sup> (See more about bike and pedestrian paths at 3.4.6.) It also implemented a 0.1 percent employee-payroll tax to fund public transportation statewide, which created the Statewide Transportation Improvement Fund (STIF); it produces over \$100 million annually to fund public transportation.<sup>53</sup> (See more about STIF at 3.4.7.)

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### **A primary focus of HB 2017, a \$5.3 billion package, was to increase and diversify Oregon's transportation funding.**

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HB 2017 directed the OTC to implement a “value pricing” program\* to reduce freeway congestion in the Portland metro area.<sup>54</sup> (See more about value pricing at 3.4.4.) It specifically called for value pricing on I-205 and I-5 beginning at the Washington state line and ending where those two freeways intersect in Oregon, in Tualatin, and it said the commission could implement value pricing in other areas of the state, too. The legislature vaguely defined value pricing to include, but not be limited to, “variable time-of-day pricing.” As for the dedication of funds raised through value pricing, the bill did not get into great detail. It said revenue, which would be deposited in the Congestion Relief Fund, could

pay for the cost of administering and implementing pricing, and “shall be used to implement and administer the traffic congestion relief program,” but it did not define elements of the program.

Further adding to this, a note attached to the transportation part of the 2017–19 budget programmed the value pricing revenue, stating, “The Department of Transportation is directed to ensure an ongoing commitment to fully fund congestion relief on I-205, including but not limited to the Stafford Rd to Abernethy Bridge bottleneck. Pursuant to HB 2017, any value pricing revenue shall be dedicated to I-205.”<sup>55</sup> For those unfamiliar, a budget note is “a nonbinding directive to a state agency on the legislative intent of a particular budget measure, directing administrative and managerial actions relating to the agency’s execution of its biennial budget.”<sup>56</sup>

### **3.2.3 Programs and Projects<sup>57</sup>**

HB 2017 allocated money to dozens of specific projects across the state as well as to broader program areas. Specific projects included street, interchange, and pedestrian-safety improvements; jurisdictional transfers; bridge seismic retrofits; and more on state highways. Megaprojects named in HB 2017 included the I-5 Rose Quarter

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52 HB 2017. (2017). 94-106, 108-109.

53 ODOT, “Frequently Asked Questions.” 6. ODOT, “Statewide Transportation Improvement Fund Allocation Estimate, Corrected, Sept. 16, 2022,” 5. <https://www.oregon.gov/odot/RPTD/RPTD%20Committee%20Meeting%20Documents/STIF-Allocation-Estimates-Sep-2022.pdf>.

54 HB 2017. (2017). 106-7.

55 Legislative Fiscal Office, “2017-19 Budget Highlights,” State of Oregon, September 2017, 103. <https://www.oregonlegislature.gov/lfo/Documents/2017-19%20Budget%20Highlights.pdf>.

56 Legislative Fiscal Office, “2017-19 Budget Highlights.” 111.

57 HB 2017. (2017). 75-94, 98, 115-119, 125-6, 128-135



Freeway widening on Highway 217 (courtesy ODOT, CC BY 2.0 DEED).

Improvement Project, the I-205 Abernethy Bridge Project, the I-205 Freeway Widening Project, and the Highway 217 Northbound and Southbound Projects.

A look at the larger legislative allocations from the State Highway Fund attributable to the increases in taxes and fees in HB 2017:

- I-5 Rose Quarter Improvement Project\*:
  - \$30 million annually (starting 2022)
  - Ending when project is completed or bonds to fund it have been repaid (whichever is later)
- Safe Routes to School (see more at 3.4.5):
  - \$10 million annually, rising to \$15 million annually in 2023

- Matching grants to reduce barriers and hazards to children walking or cycling to and from school. Projects may include improving sidewalks, reducing vehicle speeds, improving crossings, or creating and improving bicycle lanes. The applicable area is within a one-mile\* radius of a school.
- After I-5 Rose Quarter and Safe Routes to School allocations:
  - 50 percent goes to ODOT
    - Of that, \$10 million goes to safety, then,
    - With whatever then remains in the ODOT allocation,
      - 40 percent goes to bridges,
      - 30 percent goes to seismic improvements to highways and bridges,
      - 24 percent goes to state highway pavement preservation and culverts, and
      - 6 percent goes to state highway maintenance and safety improvements.
  - 30 percent goes to counties
    - Of this, \$5 million annually goes to roads that are not part of the state highway system in counties with fewer than 200,000 registered vehicles, and that are inadequate for capacity served or are in a condition detrimental to safety.
  - 20 percent goes to cities
    - This includes \$5 million annually for roads in cities that are not part of the state highway system with a population of 5,000 people or fewer, and that

are inadequate for capacity served or are in a condition detrimental to safety.

The vehicle-dealer privilege tax allocated \$12 million annually to Oregon's Clean Vehicle Rebate Program to incentivize drivers to buy\* zero-emission vehicles, with up to a \$5,000\* rebate dependent on vehicle eligibility and income level. (See more about EVs at 3.4.3.) The remaining balance went to Connect Oregon, which in HB 2017 supported aviation, marine, rail, and bicycle and pedestrian\* transportation projects. It also removed transit from the existing program due to the establishment of STIF.

A breakdown of the STIF allocations:

- 90 percent to qualified entities (i.e., mass transit and transportation districts, counties without mass transit or transportation districts, and federally recognized tribes)
- 5 percent to public-transportation service providers through a competitive grant program
- 4 percent to public-transportation service providers improving service between two or more communities
- 1 percent to ODOT for a statewide public-transportation technical-resource center to assist public-transportation service providers in rural areas with training, transportation planning, and information technology

The qualified entities that receive 90 percent of STIF funding must submit a public-transportation improvement plan

to the OTC, which must include allocation amounts for the following\*:

- increased bus frequency and service in communities with a high percentage of households with low incomes,
- procurement of buses powered by natural gas or electricity (for areas with a population of 200,000+),
- programs to reduce fares for communities with low incomes,
- improved service frequency and reliability between communities inside and outside the service area, and
- reduced fragmentation between public-transportation service providers.

### **3.3 LEGISLATIVE CHANGES TO HB 2017**

In legislative sessions in the years following HB 2017, several bills were passed that changed or built upon the contents of HB 2017.

#### **3.3.1 HB 4059 (2018)<sup>58</sup>**

This bill stipulated that the OTC's ODOT director appointment is subject to confirmation by a majority vote of the Senate. It also outlined that qualified entities must annually spend 1 percent of their formula funds on programs providing transit services for students in grades 9 through 12. HB 4059 expanded eligibility for EV rebates to people who lease an electric vehicle rather than purchase one.

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58 HB 4059, 79th Oregon Legislative Assembly. (2018). <https://olis.oregonlegislature.gov/liz/2018R1/Measures/Overview/HB4059>.

### 3.3.2 HB 2592 (2019)<sup>59</sup>

Part of this bill aimed to further increase OTC accountability, stating that commission members' relatives cannot have conflicts of interest with the work of the OTC either, expanding the scope beyond just the individual member.

It also changed the structure of the Connect Oregon program by moving the 7 percent of funding dedicated to bike and pedestrian projects to a separate Multimodal Active Transportation Fund. Now, Connect Oregon funds only aviation, rail, and marine projects. (The bike and pedestrian off-roadway path project grants are awarded through the Oregon Community Paths program.) Connect Oregon must have a minimum amount of funding available in order to distribute grants, and this bill lowered the threshold. It also dedicated up to \$4 million of lottery revenues – designated for outdoor-recreation improvements through the Oregon Parks and Recreation Department – to projects that meet bicycle and pedestrian recreation and transportation needs.

### 3.3.3 SB 1601 (2020)<sup>60</sup>

This bill repealed the state's Elderly and Disabled Special Transportation Fund and transferred the remaining funds to STIF. It changed the allocation of STIF dollars by stating that a portion of the 90 percent distributed to qualified entities must be dedicated to transit services for older adults and

people with disabilities. Funding for these services is adjusted based on the growth or decline of STIF revenue. The merging of these funds also means STIF is no longer funded just by the payroll tax, but also by ID card fees, non-highway gas-tax revenues, and cigarette-tax revenues.<sup>61</sup> SB 1601 also allows STIF funding to be used to maintain public-transportation services, not just improve them.

### 3.3.4 HB 2165 (2021)<sup>62</sup>

This bill increased access to electric-vehicle adoption for marginalized communities. It increased the Charge Ahead program rebate to be up to \$5,000 to support communities with low incomes. This means qualifying households can get up to \$7,500 in state rebates when the Charge Ahead and standard rebates are combined. It also required electric companies serving at least 25,000 customers to raise revenue toward transportation electrification. Those funds go toward activities that support the use of EVs by residents of rental or multifamily housing, communities of color, communities with low incomes, rural communities, and more.

### 3.3.5 HB 3055 (2021)<sup>63</sup>

HB 3055 made significant changes to HB 2017, particularly for megaprojects and congestion-relief programs. It stated that the \$30 million annually allocated to the I-5 Rose Quarter Improvement Project can also be used to pay for

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59 HB 2592, 80th Oregon Legislative Assembly. (2019). <https://olis.oregonlegislature.gov/liz/2019R1/Measures/Overview/HB2592>.

60 SB 1601, 80th Oregon Legislative Assembly. (2020). <https://olis.oregonlegislature.gov/liz/2020S1/Measures/Overview/SB1601>.

61 "STIF Program Overview," Public Transportation, Oregon Department of Transportation, accessed July 31, 2023. <https://www.oregon.gov/odot/RPTD/Pages/STIF-Program-Overview.aspx>.

62 HB 2165, 81st Oregon Legislative Assembly. (2021). <https://olis.oregonlegislature.gov/liz/2021R1/Measures/Overview/HB2165>.

63 HB 3055, 81st Oregon Legislative Assembly. (2021). <https://olis.oregonlegislature.gov/liz/2021R1/Measures/Overview/HB3055>.



HB 3055 made significant changes to HB 2017, particularly for megaprojects and congestion-relief programs (courtesy ODOT, CC BY 2.0 DEED).

the I-205 Improvement Project (Stafford Road to Highway 213), the I-5 Boone Bridge and Seismic Improvement Project, and the implementation of the toll program.

While HB 2017 lacked specifics on implementing value pricing as part of a congestion-relief program, HB 3055 went into greater detail, establishing the toll program. Most notably, it allows ODOT to bond against expected tolls to pay for tollway projects, and it gives the OTC discretionary power to borrow for them in a new category of bonding called Highway User Tax Revenues (HUTR) bonds. It allows tolling

revenue, “To make improvements or fund efforts on the tollway and on adjacent, connected or parallel highways to the tollway to reduce traffic congestion as a result of a tollway project, improve safety as a result of a tollway project and reduce impacts of diversion as a result of a tollway project.”

### 3.3.6 HB 2099 (2023)<sup>64</sup>

This bill expanded the eligible area for Safe Routes to School infrastructure projects to a two-mile radius from a school, instead of the previous one-mile radius. It also removed the legislated flexibility guidelines for required matching funds, to instead be determined by OTC rule, allowing for more flexibility on a case-by-case basis. Match flexibility makes for a more equitable program, for example by helping smaller cities and Title I schools.

## 3.4 IMPLEMENTATION AND IMPACTS

Like any large bill, HB 2017 wasn’t a perfect package. It didn’t meet all of the state’s transportation needs, and most people involved felt they had to compromise no matter what perspective they were coming from. When looking at HB 2017 as a whole, funding for bicycle, pedestrian, and transit projects is still just a fraction of transportation spending compared with the millions of dollars being spent on roads.

Despite HB 2017’s increased reporting requirements, finding where the funds raised through this bill are spent remains incredibly difficult. A person must navigate multiple state web pages (including many broken links and unintuitive maps) and discover how programs have been

64 HB 2099, 82nd Oregon Legislative Assembly. (2023). <https://olis.oregonlegislature.gov/liz/2023R1/Measures/Overview/HB2099>.

renamed and shuffled. Most of the information in this section comes directly from speaking with program managers, advocates, and other stakeholders, or through reading press releases and news articles, rather than any readily available state source.

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**When looking at HB 2017 as a whole, funding for bicycle, pedestrian, and transit projects is still just a fraction of transportation spending compared with the millions of dollars being spent on roads.**

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### 3.4.1 Accountability

The accountability measures in HB 2017 leave much to be desired. The average Oregonian would not have the time and resources to find out how their transportation taxes and fees are being spent. The reporting is inconsistent across modes and programs. Roadway projects are often the most expensive and are sold to the public with promises of how they'll make life better, yet there doesn't seem to be readily available impact reporting following construction. On the other hand, transit funding success stories from the payroll tax can more easily be found. The impacts of increased frequencies, greater service hours, reduced fares, and new

bus routes were so transformative that stakeholders can't help but share what a difference STIF funding is making.

Many new state-level advisory committees were created as programs in HB 2017 were implemented. Some advocates believe the new committees may have undercut the role of the area commissions on transportation (ACTs) in deciding what their communities need most.<sup>65</sup> ACTs are region-based advisory groups that look at all aspects of transportation and how they interact with the state system.<sup>66</sup>

Additionally, the composition of commissions and committees is an issue. In the July 2023 Oregon Bicycle and Pedestrian Advisory Committee (OBPAC) meeting, committee member André Lightsey-Walker raised the issue of the lack of racial diversity on committees. He said, "I'm addressing a system of recurring underrepresentation and the continual exclusion and/or absence of BIPOC [Black, Indigenous, and people of color] communities in decision-making bodies across the state of Oregon."<sup>67</sup> State agencies and various advisory committees claim to prioritize equity in projects and programming, but there's little diversity in who actually has a seat at tables with decision-making power. OBPAC previously had a woman of color as chair, and she ended up stepping down from the committee over similar frustrations.<sup>68</sup> This issue is not unique to OBPAC and has been brought up

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65 Interview with ACT member, July 13, 2023.

66 "Area Commissions on Transportation," ODOT, accessed September 1, 2023, [https://www.oregon.gov/odot/get-involved/pages/area\\_commissions.aspx](https://www.oregon.gov/odot/get-involved/pages/area_commissions.aspx).

67 Oregon Bicycle and Pedestrian Advisory Committee, *OBPAC Meeting - July 25, 2023*, ODOT PedBike YouTube recording, July 25, 2023. 3:10:10. [https://youtu.be/jBBATffx1bk?si=5R3-dEavppdi--\\_5&t=11408](https://youtu.be/jBBATffx1bk?si=5R3-dEavppdi--_5&t=11408).

68 Jonathan Maus, "Oregon's cycling and pedestrian advisory committee put on notice for lack of diversity," BikePortland, July 26, 2023, <https://bikeportland.org/2023/07/26/oregons-cycling-and-pedestrian-advisory-committee-put-on-notice-for-lack-of-diversity-377605>.

by numerous community advocates involved in and beyond transportation.

Advocates in more rural parts of the state say committee vacancies are often hard to fill at all, let alone ensuring committee members bring diverse perspectives, because the barriers to entry are so high.<sup>69</sup> Encouraging diverse applicants is not enough without giving them the support needed to fully engage. As a result of this lack of support, people with time, resources, and a financial stake typically dominate advisory and decision-making tables – predominantly white men from urban areas.

Advocates and stakeholders have mixed feelings about how ODOT oversight is working. One stakeholder representative noted how ODOT appears to put a lot of resources into community engagement and has even won awards for it, but the public still doesn't feel like they're being truly listened to much of the time.<sup>70</sup> Similarly, though the OTC was given more responsibility to critically look at ODOT's plans and projects, one advocate said, "I feel like it's largely still just rubber-stamping, but with an illusion of community engagement before the rubber-stamping."<sup>71</sup>

The July 13, 2023, Oregon Transportation Commission meeting illustrated how ODOT oversight is going. The

commission heard a presentation about ODOT operations, with a focus on the budget, project delivery, and customer service. However, presentations like this appear to have not been a regular practice in several years.<sup>72</sup> The commission cannot provide genuine oversight of an agency without consistently being aware of its financial and operational situation.

To effectively provide oversight and accountability, committees and commissions must have the information and power needed to do that work.

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**Advocates in more rural parts of the state say committee vacancies are often hard to fill at all, let alone ensuring committee members bring diverse perspectives, because the barriers to entry are so high.**

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### 3.4.2 Roadways

HB 2017's additional funding allocations to maintain roads in small cities and counties kept operations and maintenance afloat for those who benefit from that program.<sup>73</sup> It also allowed medium-sized counties to reinstate capital-improvement projects.<sup>74</sup> Many state-highway projects the bill earmarked have either been built or have completed

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69 Interview with advocate, August 7, 2023. Interview with transit board member, July 20, 2023.

70 Interview with stakeholder representatives, July 17, 2023.

71 Interview with advocate July 27, 2023.

72 Oregon Transportation Commission, *OTC July 13, 2023 Meeting*, Oregon DOT YouTube livestream recording, July 13, 2023. 2:26:40. <https://www.youtube.com/live/FUEulk2fGR0?feature=share>.

73 Interview with stakeholder representatives, July 17, 2023. Interview with stakeholder representative, July 26, 2023.

74 Interview with stakeholder representatives, July 17, 2023.



Road maintenance on Highway 138E  
(courtesy ODOT, CC BY 2.0 DEED).

the phase they were funded through (such as design or a certain study).<sup>75</sup>

A key selling point of HB 2017 was addressing congestion in the Portland metro area. Although we know highway expansions don't solve congestion in the long term, the legislature hoped expansions (in addition to value pricing) would mainly tackle the problem. The Highway 217 expansion is currently under construction, and so is the I-205 Abernethy Bridge replacement and widening. The I-5 Rose Quarter expansion and the longer section of the I-205 widening have not been built and are not financially viable. Advocates throughout Oregon say their communities are growing concerned about how much money is being poured into these megaprojects and what it means for basic infrastructure needs in the rest of the state.<sup>76</sup>

State highways are main arterials for many communities across the state and an integrated part of the transportation system. This means ODOT's inability to maintain their existing infrastructure affects the full system. In addition to our inability to cover basic system maintenance at the state and local levels, more roadway needs remain unaddressed. Policymakers wrote several jurisdictional transfers into HB

2017 but did not allocate funding to make them happen. The Small City Allotment program is oversubscribed; in 2022, ODOT received more than \$18 million in funding requests

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**“So many compromises were made for those megaprojects and here we are, and they’re ballooned out of control, but they’re written into law.” —Noel Mickelberry, former executive director, Oregon Walks**

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out of only \$6.1 million available through the program.<sup>77</sup> (Funding was higher than the usual \$5 million allocated, thanks to projects that were canceled due to high construction costs.<sup>78</sup>) Agencies still don't have enough funding for seismic upgrades to the hundreds of bridges across the state, even with new federal funding dedicated to the issue. ODOT's Great Streets program launched in 2022 with federal funding to support safety and multimodal improvements on state highways that act as main streets, but it's also oversubscribed.<sup>79</sup> In the 2023 legislative session, advocates requested that at least another \$100 million be invested in the program, but it received just \$1 million.<sup>80</sup>

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75 “Specific Projects Funded by HB 2017,” Projects, ODOT, accessed August 9, 2023, <https://www.oregon.gov/odot/Projects/Pages/KOM-Projects.aspx>.

76 Interviews with advocates, August 7, 2023.

77 ODOT, “Sidewalks, bicycle lanes, curb ramps, more coming to communities around the state,” News Release list, GovDelivery, November 17, 2022, <https://content.govdelivery.com/accounts/ORDOT/bulletins/337dce1>.

78 ODOT, “Sidewalks, bicycle lanes, curb ramps, more.”

79 Jonathan Maus, “Pressure builds on Oregon lawmakers to pony up for safer urban arterials,” BikePortland, April 6, 2023, <https://bikeportland.org/2023/04/06/pressure-builds-on-oregon-lawmakers-to-pony-up-for-safer-urban-highways-and-main-streets-372320>.

80 Jayati Ramakrishnan, “Oregon lawmakers tee up \$1 billion in bonds for new Interstate 5 bridge over 8 years,” the Oregonian, updated June 23, 2023, <https://www.oregonlive.com/commuting/2023/06/oregon-lawmakers-tee-up-1-billion-in-bonds-for-new-interstate-5-bridge-over-8-years.html>.

### 3.4.3 Electric Vehicles

With both state and federal incentives in place, electric-vehicle adoption is increasing in Oregon. Compared with other states, a greater share of new vehicles sold in Oregon are electric.<sup>81</sup> The Clean Vehicle Rebate Program has been so popular that now demand for the rebates exceeds money to give out.<sup>82</sup> As a result, the Department of Environmental Quality (DEQ) had to suspend the program on May 1, 2023, and it will remain closed until the fund is replenished.<sup>83</sup> A bill in the 2023 legislative session sought to replenish the fund sooner, but it was still in committee upon session adjournment.<sup>84</sup> Oregonians can still access the federal tax credit of up to \$7,500 for the purchase of an electric vehicle, as provided through the Inflation Reduction Act of 2022.<sup>85</sup>

Inequities across race, class, and geography affect the adoption of electric vehicles.<sup>86</sup> The pausing of the state's

rebate program disproportionately impacts people with low-to-moderate incomes who might not be able to afford an EV without those incentives.<sup>87</sup> Even if people can afford to buy or lease an electric vehicle when all of the incentives are available, time spent charging the vehicle can be another barrier for those who can't afford or don't have access

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**The pausing of the state's rebate program disproportionately impacts people with low-to-moderate incomes who might not be able to afford an EV without those incentives.**

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to more efficient chargers.<sup>88</sup> Efforts are ongoing to address these barriers, such as ODOT's Community Charging Rebates program and transportation-electrification plans by power companies.<sup>89</sup>

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81 Monica Samayoa, "Electric vehicle sales soar in Oregon; state officials expect big numbers in 2023," OPB, January 16, 2023, <https://www.opb.org/article/2023/01/16/oregon-electric-vehicle-sales-soar-officials-expect-big-numbers-in-2023/>.

82 Monica Samayoa, "Oregon to temporarily suspend popular EV rebate program," OPB, March 15, 2023, <https://www.opb.org/article/2023/03/15/oregon-ev-rebate-program-electric-vehicles-environment-greenhouse-gas-emissions/>.

83 Oregon DEQ, "Oregon Clean Vehicle Rebate Program," Clean Vehicles, accessed August 9, 2023, <https://www.oregon.gov/deq/aq/programs/Pages/ZEV-Rebate.aspx>.

84 HB 2613, 82nd Oregon Legislative Assembly. (2023). <https://olis.oregonlegislature.gov/liz/2023R1/Measures/Overview/HB2613>.

85 Ian Rose, "Oregon on tap for billions of dollars for roads, transportation, disasters," Oregon Capital Chronicle, June 28, 2023, <https://oregoncapitalchronicle.com/2023/06/28/oregon-on-tap-to-receive-billions-of-federal-dollars-for-housing-education-and-more/>.

86 Monica Samayoa, "As Oregon pushes more electric vehicles, a gap emerges in access," OPB, September 19, 2022, <https://www.opb.org/article/2022/09/19/oregon-electric-vehicles-access-gap/>.

87 Samayoa, "Oregon to temporarily suspend popular EV rebate program."

88 Samayoa, "A gap emerges in access."

89 "ODOT's Community Charging Rebates Program," Climate Office, ODOT, accessed August 17, 2023, <https://www.oregon.gov/odot/climate/Pages/communitychargingrebates.aspx>. Pacific Power, "Oregon transportation electrification planning," accessed September 5, 2023, <https://www.pacificpower.net/savings-energy-choices/electric-vehicles/or-transportation-electrification-planning.html>. PGE, "Transportation Electrification Planning," accessed September 5, 2023, <https://portlandgeneral.com/about/who-we-are/resource-planning/transportation-electrification-planning>.

### 3.4.4 Value Pricing

Since the inclusion of a plan to implement value pricing in HB 2017, state and local planners and the community have had a lot of conversations about what value pricing might look like in practice in the Portland metro area. The program has been referred to by many different names: tolling, congestion pricing, value pricing, road pricing, mobility pricing. HB 3055 essentially replaced and built upon the vague language that was included in HB 2017 by solidifying tolling as a necessary measure to build the freeway projects that weren't fully funded, as had been implied by the 2017–19 budget note. (See also section 3.3.5.) By ODOT using HUTR bonding against expected tolls to pay for construction, the state has a legal obligation to pay off the bonds,

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**“In the bill, we advocated to use pricing as a way to manage the use of highway lanes, to manage congestion. What ODOT is largely trying to do is raise revenue to pay for projects. We would like to achieve a better balance between project funding and devoting revenue for alternative transit or diversion onto other routes.” — Andy Shaw, director of government affairs, Metro**

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regardless of if, or when, tolling is successfully implemented. This might in turn increase pressures on value pricing to generate revenues instead of to manage demand. The



An open house on value pricing in 2018 (courtesy ODOT, CC BY 2.0 DEED).

OTC's borrowing capacity is new and concerning given the general decline in state transportation revenues. Despite the state being unable to afford maintenance of the current system, we would be taking on additional debt to build new or expanded facilities without the ability to repay bonds as readily.

In 2018, the Portland Metro Area Value Pricing Feasibility Analysis Policy Advisory Committee charter tasked the group with evaluating value pricing as a means of managing congestion, through pricing and/or financing freeway projects. Those two objectives are in tension.<sup>90</sup> The

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90 ODOT, "Portland Metro Area Value Pricing Feasibility Analysis Policy Advisory Committee Charter and Protocols," February 2018, 2-3, [https://www.oregon.gov/ODOT/tolling/ResourcesHistory/VP\\_PAC\\_Charter\\_Signed.pdf](https://www.oregon.gov/ODOT/tolling/ResourcesHistory/VP_PAC_Charter_Signed.pdf).

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**“The way you design the tool to manage congestion is going to act differently than if you use it to raise revenue.” —Vivian Satterfield, transportation advocate**

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implementation of value pricing looks completely different depending on the primary goal: If value pricing is used to mitigate congestion, then the price needs to be only great enough to influence behavior changes (i.e., drivers using the road at a different time or taking a different mode) and could be free during off-peak travel hours. If pricing is instead used as a revenue-raising mechanism, then ODOT is motivated to charge a higher price at all times of day even when there’s no congestion. The irony is that as pricing increases for a given facility, driving decreases, which then decreases the need for the revenue to go toward adding more lanes.

Value pricing is also potentially a big financial liability for the state. Washington took a similar financing approach to build the SR 99 Tunnel in Seattle. The state planned for toll revenues to cover \$200 million in construction costs, but it is falling short of meeting that goal compared with previous traffic and revenue forecasts.<sup>91</sup> Construction costs were also higher than originally estimated.<sup>92</sup> The project required

additional funding from Washington’s legislature to keep up on debt payments, and it may need a similar infusion of cash again in the future.<sup>93</sup>

This tension still persists, years into these conversations. As advocates and stakeholders have said, ODOT has been pushing for the revenue-raising model more than pricing as congestion mitigation because it best serves their financial needs.<sup>94</sup> It could also be said that the legislature intended, even in 2017, for value pricing to raise revenue for freeway megaprojects, based on the included budget note. The budget note may also explain why I-205 in Clackamas County has been the priority corridor for the first implementation of pricing, despite strong opposition from residents in the area.<sup>95</sup> It provided direction to ODOT and the OTC on the legislature’s intent and priorities.

Now, with tolling paused until 2026 as directed by Governor Tina Kotek, ODOT is forced to really look at how this

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**“We have to get congestion pricing right, and we have to use that revenue on alternatives.”  
— Transportation advocate involved during creation of HB 2017**

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91 Ryan Packer, “SR 99 Tunnel’s Financial Outlook Remains Negative Despite Cash Infusion, Traffic Uptick,” The Urbanist, May 17, 2023, <https://www.theurbanist.org/2023/05/17/sr-99-tunnels-financial-outlook-remains-negative-despite-cash-infusion-traffic-uptick/>.

92 Ryan Packer, “Transportation Commission Seeks SR 99 Tunnel Bailout from State Legislature,” The Urbanist, December 22, 2022, <https://www.theurbanist.org/2022/12/22/transportation-commission-seeks-sr-99-tunnel-bailout-from-state-legislature/>.

93 Packer, “SR 99 Tunnel’s Financial Outlook.”

94 Interview with advocate, July 19, 2023. Interview with stakeholder, July 20, 2023.

95 Alma McCarty, “I-205 toll project raises concerns for West Linn, Oregon City leaders and drivers,” KGW, January 18, 2023, <https://www.kgw.com/article/news/local/i-205-toll-project-west-linn-oregon-city/283-459d4a0c-9a87-4762-ba68-6cce9edfbb8e>.

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**“The ODOT and OTC have spent a lot of time thinking about equity as it relates to congestion pricing. Every single time I’ve heard them talk about it, it is, ‘How do we charge the fees equitably?’ not, ‘How do we move people equitably?’ and that is a serious disconnect.” —Ian Davidson, vice president, Cherriots Board**

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approach would impact communities and address the overall public opposition they’ve generated.<sup>96</sup> Meanwhile, advocates in other parts of the state are watching to see what happens. They fear that if policymakers fail to implement tolling, then the whole state will bear the costs of Portland-area freeway projects.<sup>97</sup>

Through all the challenges, stakeholders and advocates still want to see value pricing successfully implemented for the same reasons named in HB 2017. Oregon needs to continue to diversify transportation funding and effectively mitigate congestion through influenced behavior change and increased transportation options.

### **3.4.5 Safe Routes to School**

Advocates continue to celebrate that HB 2017 provided



Young cyclists wait at an intersection in Monmouth. (courtesy ODOT, CC BY 2.0 DEED).

sustainable funding for Safe Routes to School (SRTS) infrastructure projects. Since 2018, funding from HB 2017 has gone to more than 100 construction projects across the state, making it safer for students to walk, roll, and bike to school.<sup>98</sup> In 2023, \$32.4 million was awarded for 26 projects improving safety around Title I schools.<sup>99</sup> With limited funding to give out, equity is a key lens through which projects are prioritized.

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96 Interview with ODOT official, August 3, 2023. Nigel Jaquiss, “Kotek Makes It Official: She’s Ordered ODOT to Pause Tolling Until 2026,” Willamette Week, May 4, 2023, <https://www.wweek.com/news/2023/05/04/kotek-makes-it-official-she-ordered-odot-to-pause-tolling-until-2026/>.

97 Interview with stakeholder representative, July 26, 2023. Interview with advocate, August 7, 2023.

98 ODOT, “Looking back, looking ahead: current and future funding opportunities and services,” Safe Routes to School list, GovDelivery, January 31, 2023, [https://content.govdelivery.com/bulletins/gd/ORDOT-3454fee?wgt\\_ref=ORDOT\\_WIDGET\\_518](https://content.govdelivery.com/bulletins/gd/ORDOT-3454fee?wgt_ref=ORDOT_WIDGET_518).

99 ODOT, “Safe Routes to School projects to receive \$32.4 million,” News Release list, GovDelivery, January 12, 2023, [https://content.govdelivery.com/bulletins/gd/ORDOT-3426edf?wgt\\_ref=ORDOT\\_WIDGET\\_518](https://content.govdelivery.com/bulletins/gd/ORDOT-3426edf?wgt_ref=ORDOT_WIDGET_518).



SRTS infrastructure improvements area in Coos Bay (courtesy ODOT, CC BY 2.0 DEED).

In Coos Bay, the city was able to add sidewalks and bike lanes, which had been in their Transportation System Plan for more than 15 years, because of the matching grant provided by the SRTS funding.<sup>100</sup>

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100 ODOT, “Coos Bay’s Eastside School,” Safe Routes to School, April 1, 2019.

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101 ODOT, “Looking back, looking ahead.” (2023).

102 Interview with Safe Routes to School Advisory Committee member, July 27, 2023.

103 Interview with Megan Shull (Lane County Safe Routes to School Coordinator), July 21, 2023.

104 Interview with Megan Shull, 2023.

The success of this program is evident, and the requests for funding more than double what the state is currently able to grant. Since 2018, the construction program has received more than 280 applications requesting more than \$230 million total and has awarded approximately \$70 million to the 100 projects it has been able to support.<sup>101</sup> As one member of the SRTS Advisory Committee put it, “There’s not enough money to go around, which is frustrating because we’re pouring millions of dollars into freeways. It’s just, like, sitting there arguing over scraps of which schools are going to not have students get hit by cars is a really disgusting contrast.”<sup>102</sup>

Aside from a need for more funding, there are other challenges. Routes to school are part of the larger transportation system. Sometimes adding a crosswalk is enough to make a route safer, but it depends on the characteristics of the road it crosses. In Florence, along Highway 101, ODOT updated curb ramps and added several crosswalks with rapid flashing beacons. Lane County SRTS coordinator Megan Shull said that parents still won’t let their kids cross 101 because vehicles travel fast on the wide, straight road.<sup>103</sup> While the project wasn’t a designated SRTS project, it still impacts students’ ability to walk and roll to school. Cities along the coast also share the challenge of tourists not considering that people live in the communities they’re driving through, compared with how they might feel driving through their own neighborhoods.<sup>104</sup>



Children use a safe school crossing (courtesy ODOT, CC BY 2.0 DEED).

Although HB 2017 only included funding for SRTS infrastructure projects, it's important to highlight that the programming element of Safe Routes to School increases the impact of the infrastructure projects. As SRTS coordinators shared, for neighborhoods that haven't previously had bicycle and pedestrian infrastructure, most students and families aren't in the habit of walking or rolling to school.<sup>105</sup> Events or walking or biking school buses (groups of students walking or biking to school together, supervised by adults) can help support students and families shift modes.

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**“My program has been very useful in giving students the tools they need to know how to traverse their built environment.”**  
—Megan Shull, SRTS coordinator, Lane County

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In areas with incomplete bicycle and pedestrian networks, SRTS coordinators help teach students how to travel safely in challenging parts of their route, such as places where sidewalks end.<sup>106</sup> These can be difficult situations even for adults to navigate if they're used to driving everywhere.<sup>107</sup> These programs ensure students learn to use the infrastructure and grow up to continue to use it as adults.<sup>108</sup> Educational programming is especially important after the

COVID-19 pandemic precautions, when a lot of families got in the habit of driving students to school.<sup>109</sup> Combine that with school-bus driver shortages, and the ability to walk or roll to school has become even more important for students who live close enough.<sup>110</sup> Coordinators are optimistic that the bike bus bill (HB 3014), which passed in the 2023 legislative session, will further the work they're doing by allowing school districts flexibility in how they spend state transportation funds.<sup>111</sup>

Having a safe route to walk or roll to school is also closely linked to housing and land use. As families are priced out of their current homes and forced to move farther out of town centers and away from schools, walking or rolling to school becomes less feasible. Often, people are displaced to areas with even more inadequate infrastructure. When we make transportation improvements without addressing gentrification and otherwise ensuring people can continue to afford to live in their homes, people who can afford to stay will disproportionately benefit from improved infrastructure.

### **3.4.6 Off-Roadway Bicycle and Pedestrian Infrastructure**

In 2019, the legislature moved Connect Oregon's off-roadway bicycle and pedestrian projects to a new program,

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105 Interview with Megan Shull, 2023. Interview with a Safe Routes to School coordinator, August 7, 2023.

106 Interview with Megan Shull, 2023.

107 Interview with Megan Shull, 2023.

108 Interview with Megan Shull, 2023. Interview with a Safe Routes to School coordinator, August 7, 2023.

109 Interview with a Safe Routes to School coordinator, August 7, 2023.

110 Interview with a Safe Routes to School coordinator, August 7, 2023.

111 Interview with Megan Shull, 2023. HB 3014, 82nd Oregon Legislative Assembly. (2023). <https://olis.oregonlegislature.gov/liz/2023R1/Downloads/MeasureDocument/HB3014>



Mobility device user on a vegetation-lined path in Wilsonville (courtesy Metro, CC BY-NC-ND 2.0 DEED).

Oregon Community Paths (OCP). This was the first time ODOT had seriously looked at off-road multiuse paths for the purpose of transportation (connecting people and places).<sup>112</sup> The program supports projects that connect

major destinations and create safer walking and rolling routes that are more protected from car traffic. The off-road way part is key because it fills a need that can't be fulfilled by the State Highway Fund. For that reason, projects under this program may fill gaps for Safe Routes to School where an off-road, multiuse path is a needed connection.<sup>113</sup> The program prioritizes equity, project readiness, safety, and public support, demonstrated through intentional and diverse community engagement.<sup>114</sup>

In 2021, the program awarded a total of \$11.3 million to 18 projects; its 57 applications requested a total of \$88 million.<sup>115</sup> In 2023, the program awarded 25 projects a total of \$34.6 million; that year, 51 applications requested over \$80 million.<sup>116</sup> The Oregon Community Paths program has been able to fund more projects because of increased federal funding.<sup>117</sup>

OCP, like most programs, is limited by inflation in how far grant dollars can go. Program manager Alan Thompson said, "It's been absolutely brutal." Inflation hits small cities especially hard because they have to provide a local match to get the grant.<sup>118</sup> To continue supporting applicants, OCP also gives project-refinement grants or advises on

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112 Interview with Alan Thompson, July 26, 2023.

113 Interview with Alan Thompson, July 26, 2023.

114 Interview with Alan Thompson, July 26, 2023.

115 ODOT, "Projects include new trails, plans, project refinements and more," Oregon Community Paths list, GovDelivery, March 30, 2021, [https://content.govdelivery.com/bulletins/gd/ORDOT-2ca435b?wgt\\_ref=ORDOT\\_WIDGET\\_147](https://content.govdelivery.com/bulletins/gd/ORDOT-2ca435b?wgt_ref=ORDOT_WIDGET_147).

116 ODOT, "25 projects to receive \$34.6 million for multi-use paths, planning and improvements," News Release list, GovDelivery, July 20, 2023, <https://content.govdelivery.com/accounts/ORDOT/bulletins/3664b1d>.

117 Interview with Alan Thompson, July 26, 2023.

118 Interview with Alan Thompson, July 26, 2023.

downscoping projects or finding other grants to make funds go farther.<sup>119</sup>

### 3.4.7 Public Transportation

The funding to support public-transit operations and improvements has made huge, beneficial impacts for Oregonians. With the COVID-19 pandemic and wildfires around the state during the first cycle of STIF fund implementation (2019–21), the support couldn't have come at a better time. STIF funds and federal funds related to the pandemic allowed agencies to stay afloat and provide needed services, such as grocery delivery, rides to vaccine clinics, and transit service for essential workers even at a time when

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**“It has been utterly and completely transformational for our community.”**  
—Ian Davidson, Cherriots board vice president, regarding STIF funds

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operating costs increased.<sup>120</sup> Transit agencies, like TriMet in the Portland metro area, were also able to supply buses to transport firefighters and supplies to wildfires.<sup>121</sup> This highlights the multiple positive opportunities that investments in transit can have for Oregonians.



A transit rider attaches a bike to the front of a Cherriots bus (courtesy ODOT, CC BY 2.0 DEED).

In the 2019–21 biennium, more than 100,000 students in Oregon had access to free or reduced transit fares.<sup>122</sup> Clackamas County launched two free-shuttle programs to fill gaps between parts of the TriMet service area.<sup>123</sup> Cascades East Transit added service to the La Pine Activity Center, which gave some of the city's older residents a

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119 Interview with Alan Thompson, July 26, 2023.

120 ODOT, *Statewide Transportation Improvement Fund Program: A Report to the Joint Committee on Transportation*, January 2021, <https://www.oregon.gov/odot/RPTD/RPTD%20Committee%20Meeting%20Documents/2021-STIF-Biennial-Report.pdf>.

121 ODOT, *A Report to the Joint Committee on Transportation*.

122 ODOT, *A Report to the Joint Committee on Transportation*.

123 ODOT, *A Report to the Joint Committee on Transportation*.



LINX transit in Brownsville (courtesy ODOT, CC BY 2.0 DEED).

way to travel to Sunriver without having to drive.<sup>124</sup> Yamhill County Transit expanded Saturday service to Grand Ronde and Tigard, but that service has been suspended, along with all Newberg service, due to COVID-19–related operator shortages.<sup>125</sup>

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124 ODOT, *A Report to the Joint Committee on Transportation*.

125 ODOT, *A Report to the Joint Committee on Transportation*. “Routes and Schedules,” Yamhill County Transit, accessed August 11, 2023, <https://ycbus.org/routes-and-schedules/schedules/>.

126 Interview with Ian Davidson (Cherriots Board Vice President), July 14, 2023.

127 Interview with Ian Davidson, 2023.

128 Interview with Ian Davidson, 2023.

129 Interview with Ian Davidson, 2023.

130 Interview with Ian Davidson, 2023.

131 “High School Summer Pass,” High School Access Transit Program, TriMet, accessed August 11, 2023, <https://trimet.org/accesstransit/highschool-summerpass.htm>.

The Salem Area Mass Transit District, more commonly known as Cherriots, has seen resounding success as a result of STIF funds. The Cherriots board vice president, Ian Davidson, said, “It has been utterly and completely transformational for our community.”<sup>126</sup> Cherriots reinstated Saturday service for the first time in more than a decade, expanded weekday service hours, and added Sunday service for the first time ever.<sup>127</sup> These changes are especially impactful for Chemeketa Community College students taking evening or weekend classes.<sup>128</sup> Davidson said that for some community members, they’d never even seen downtown Salem on the weekend.<sup>129</sup> “We have existed for four decades without ever once having Sunday service. So now, whether people choose to worship, work, recreate, [or] go run errands, they can now do that. That is a choice that we have given them because of that state funding. It could not have occurred without it,” he said.<sup>130</sup>

There’s no shortage of success stories from this first-of-its-kind transit funding. TriMet rolled out a free summer pass program for high-school students, as well as Portland, Mt. Hood, and Clackamas Community College students.<sup>131</sup> Programs increasing access to transit for youth are important for inspiring a multimodal future in which students will

grow up to continue riding transit as adults.<sup>132</sup> Rogue Valley Transportation District (RVTD) added several fixed routes, increased frequencies, and launched an express bus from Ashland to Medford, cutting the route’s travel time in half.<sup>133</sup> LINX Transit in Lebanon has seen significant growth in the number of rides it is providing and has expanded its service area.<sup>134</sup> LINX sees the expanded service as an important part of allowing geographically dispersed residents to age in place without having to continue driving beyond when they feel like they should stop.<sup>135</sup>

Despite the STIF dollars’ positive impact throughout Oregon, the funding really just starts to scratch the surface of what’s possible and what’s needed for public transportation.

RVTD’s board chair, Tonia Moro, said the district still isn’t able to provide Sunday service and has 20 years of planned, unfunded projects.<sup>136</sup> Additionally, the local match required for federal grants for electric buses is still out of reach, making it harder for small transit districts to transition to zero-emissions fleets.<sup>137</sup> Moro said, “CNG [compressed

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**The local match required for federal grants for electric buses is still out of reach, making it harder for small transit districts to transition to zero-emissions fleets.**

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natural gas] is what we’ve got. We’ve had it forever. Several of us board members want to move off it. Methane is really bad for the climate.”<sup>138</sup>

Additionally, because STIF fund allocations are based on where the employee-payroll tax revenue was generated, smaller towns with fewer jobs aren’t going to see substantial revenue.<sup>139</sup> Residents who commute to cities that generate more funding have to hope that transit providers add service to their town.<sup>140</sup> Even then, service to rural towns is often not sufficient and is infrequent to the point of being hard to feasibly use, because the operating costs per rider are higher than investments.<sup>141</sup> In general, gaps remain in developing regional transportation connections and creating local service where it doesn’t currently exist. Oregon must recognize the value in developing transit connections between cities,

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132 Interview with stakeholders representative, July 25, 2023.

133 Interview with Tonia Moro (Rogue Valley Transportation District Board Chair), July 20, 2023.

134 ODOT, “Transit agencies like LINX are using COVID relief funds to improve and expand service,” Transportation Insights list, GovDelivery, March 24, 2023, [https://content.govdelivery.com/bulletins/gd/ORDOT-35082b6?wtg\\_ref=ORDOT\\_WIDGET\\_510](https://content.govdelivery.com/bulletins/gd/ORDOT-35082b6?wtg_ref=ORDOT_WIDGET_510).

135 ODOT, “Transit agencies like LINX.”

136 Interview with Tonia Moro, 2023.

137 Interview with Tonia Moro, 2023.

138 Interview with Tonia Moro, 2023.

139 Interview with Ian Davidson, 2023.

140 Interview with Ian Davidson, 2023.

141 Interview with Ian Davidson, 2023.

like how it has historically with the roads connecting people across the state.

HB 2017 did not include any increased funding specifically for transportation services for disabled people or older adults, though now many programs dedicated to these groups are supported in part by STIF funds. Paratransit service for disabled people is required only where fixed-route transit service exists, but that means that the thousands of Oregonians who can't drive and don't have access to fixed-route transit service often have no option but to rely on friends and family for transportation. In Clackamas County, the Transportation Reaching People program aims to fill that gap, but insufficient funding has led to cuts in the program, which already had more demand than service it could provide.<sup>142</sup> Transportation services for disabled people and older adults are in significant need across the

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**Transportation services for disabled people and older adults are in significant need across the state, and by not increasing funding for these services, HB 2017 left a gap in the transportation system.**

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Paratransit operators for the Salem area's Cherry Lift (courtesy ODOT, CC BY 2.0 DEED).

state, and by not increasing funding for these services, HB 2017 left a gap in the transportation system. That gap is filled by family caregivers for whom providing transportation is a primary task.<sup>143</sup> In 2021, Oregon had an estimated 470,000 family caregivers providing around 440 million hours of unpaid caregiving labor, valued at approximately \$8.7 billion.<sup>144</sup> People who rely on friends and family for transportation often miss healthcare appointments and experience feelings of isolation, leading to poorer overall health outcomes.<sup>145</sup>

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<sup>142</sup> Interview with program staff, July 24, 2023.

<sup>143</sup> AARP, "Transportation: What Caregivers Need to Know," Family Caregiving, last updated May 19, 2023, <https://www.aarp.org/caregiving/home-care/info-2020/transportation-services.html>.

<sup>144</sup> Susan C. Reinhard, Selena Caldera, Ari Houser, Rita B. Choula, *Valuing the Invaluable: 2023 Update. Strengthening Supports for Family Caregivers*, AARP, March 2023, <https://www.aarp.org/content/dam/aarp/ppi/2023/3/valuing-the-invaluable-2023-update.doi.10.26419-2Fppi.00082.006.pdf>.

<sup>145</sup> American Hospital Association, *Social Determinants of Health Series: Transportation and the Role of Hospitals*, November 15, 2017, <https://www.aha.org/ahahret-guides/2017-11-15-social-determinants-health-series-transportation-and-role-hospitals>. National Aging and Disability Transportation Center, "Transportation Needs and Assessment of Diverse Older Adults, Younger Adults with Disabilities and Caregivers," (PowerPoint presentation), September 1, 2021, <https://www.nadtc.org/wp-content/uploads/NADTC-Transportation-Presentation-long.pdf>.

### 3.4.8 Labor Shortage

A labor shortage affecting transit providers, road crews, DMV offices, and more arose as an unanticipated challenge since HB 2017's passage. Many reasons for the shortage exist, including the loss of thousands of Oregonians due to COVID-19, the movement of more people into retirement, and increased costs of living, leading to people seeking jobs that will pay them enough.

Central and Eastern Oregon have faced road-crew and transit-operator shortages due to longer wait times to obtain a commercial driver's license (CDL).<sup>146</sup> After snow plow season is over in Eastern Oregon, many snow plow operators find jobs elsewhere because having a CDL makes them more employable.<sup>147</sup> As of April 2023, Cascades East Transit continued to face operator shortages because only one person was giving tests for CDLs in Central Oregon.<sup>148</sup> It has slowed the transit provider's ability to return to pre-pandemic service levels and add new routes.<sup>149</sup>

Corvallis Transit System was without weekend service for the entire 2022–23 school year, a big issue in a college town where many students are without cars.<sup>150</sup> TriMet, in the Portland metro area, also continued facing operator shortages that affected its service levels in late 2022.<sup>151</sup> The transit provider offered hiring incentives and heavily promoted the job openings, which successfully filled their training classes.<sup>152</sup>

DMV offices around the state continue to be short-staffed. The result is reduced hours or random closures throughout the week at smaller branches.<sup>153</sup> The Sandy branch is the only location still temporarily closed as of August 2023.<sup>154</sup>

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146 Bola Gbadebo, "Cascades East Transit still needs bus drivers; Deschutes County explores options to expedite licensing process," KTVZ, April 11, 2023, <https://ktvz.com/news/government-politics/2023/04/11/cascades-east-transit-still-needs-bus-drivers-deschutes-county-explores-options-to-expedite-licensing-process/>. Rolando Hernandez, "In Eastern Oregon, a labor shortage is making it harder to remove snow and ice from state highways," OPB, November 22, 2022, <https://www.opb.org/article/2022/11/22/eastern-oregon-jobs-labor-shortage-snow-plow-ice-winter/>.

147 Hernandez, "Labor shortage."

148 Gbadebo, "Cascades East Transit."

149 Gbadebo, "Cascades East Transit."

150 Cody Mann, "Corvallis buses expected to resume weekend service finally," Corvallis Gazette Times, May 22, 2023, [https://gazettetimes.com/news/local/corvallis-buses-expected-to-resume-weekend-service-finally/article\\_b3b8c54a-f8eb-11ed-a578-53799b03f362.html](https://gazettetimes.com/news/local/corvallis-buses-expected-to-resume-weekend-service-finally/article_b3b8c54a-f8eb-11ed-a578-53799b03f362.html).

151 Rolando Hernandez, "TriMet faces historic driver shortage," OPB, August 12, 2022, <https://www.opb.org/article/2022/08/12/trimet-bus-driver-shortage-portland-oregon-public-transportation-issues/>.

152 Hernandez, "Historic driver shortage."

153 OPB Staff, "Weekday Wrap: Staffing shortages plague smaller DMV offices across Oregon," OPB, July 11, 2023, <https://www.opb.org/article/2023/07/11/weekday-wrap-staffing-shortages-oregon-dmv-offices-seabirds-umatilla/>.

154 "DMV Offices - Sandy," Oregon Driver & Motor Vehicle Services, ODOT, accessed August 11, 2023, <https://www.oregon.gov/odot/dmv/pages/offices/sandy.aspx>.



1.8 TO SOUTH SALEM



Thank! for being your fare ready!

Full	\$1.00	\$3.25
Reduced	\$0.50	\$1.50
Youth	\$0.50	\$1.00
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Oregon should engage in robust community engagement on a multiyear timeline to build the consensus needed for another successful state transportation package (courtesy ODOT, CC BY 2.0 DEED).

## 4: RECENT TRANSPORTATION PACKAGES IN OTHER STATES



### 4.1 COLORADO (2021)<sup>155</sup>

Total: \$5.4 billion over about 10 years

#### Takeaways:

- The package includes fee-based funding sources (gas tax, retail-delivery fees, ride-hailing fees, increased EV-registration fees, car-rental fees, etc.).
- One-third of the funding from this bill goes toward new state transportation projects, and the rest goes toward local governments, paying off debt, EV incentives and charging programs, and air-pollution mitigation.
- 10 percent of the funding from this bill goes toward transit, bike, and pedestrian programs and projects.

<sup>155</sup> Alex Burness, “Colorado’s \$5.4 billion transportation funding plan signed into law,” The Denver Post, June 17, 2021, <https://www.denverpost.com/2021/06/17/colorado-transportation-funding-law-fees-polis/>.

<sup>156</sup> Senator Marko Liias, “Legislature approves historic Move Ahead Washington transportation package,” News Release, March 10, 2022, <https://senatedemocrats.wa.gov/liias/2022/03/10/legislature-approves-historic-move-ahead-washington-transportation-package/>. Ryan Packer, “Welcome to the Move Ahead Washington Era,” The Urbanist, March 13, 2022, <https://www.theurbanist.org/2022/03/13/welcome-to-the-move-ahead-washington-era/>.



### 4.2 WASHINGTON (2022)<sup>156</sup>

Total: \$16.9 billion over 16 years

#### Takeaways:

- Transit, bike, and pedestrian funding comes from Washington’s cap-and-invest carbon-pricing program.
- Some funding for this bill ended up diverting money from the state General Fund and public works fund.
- This bill requires complete streets design for state transportation projects over \$500,000.
- The package provides free public transportation for youth under 18, including on Washington State Ferries and Amtrak Cascades.
- It doubles Safe Routes To School and general bike and pedestrian funding because there were more requests than available funding.
- The bill provides bicycle education in schools.
- It allocates \$1 billion for Washington’s commitment to the Interstate Bridge Replacement Program.
- \$3 billion goes to maintenance and preservation.



### 4.3 MINNESOTA (2023)<sup>157</sup>

Total: \$8.8 billion (the duration of this funding and bill isn't documented well from our research)

#### Takeaways:

- This package requires the Minnesota Department of Transportation to study whether freeway projects will increase emissions and vehicle miles traveled, and either cancel them or mitigate their negative impacts by investing in other modes or land use reforms.
- The bill indexes the gas tax to inflation and increases sales tax on new vehicles, with 40 percent of the latter going to transit.
- It creates a new retail-delivery fee, with exemptions for small businesses, to ensure large delivery companies are paying their fair share toward roads.
- The package creates a new sales tax in the Twin Cities area for transit.
- It launches an 18-month free-transit pilot for seniors and people with disabilities.
- The bill decriminalizes fare evasion and increases funding for transit ambassadors, mental health professionals, and social workers to increase transit safety.
- It requires communities to explore transit signal priorities to speed up bus routes.
- It creates a means-tested statewide e-bike rebate of up to \$1,500.
- 50 percent of all of the new revenue goes toward public and active transportation.
- A majority of the bill still goes toward roads, but with a focus on maintenance and operations.

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<sup>157</sup> Streetsblog, "Did Minnesota Just Release the Best Statewide Transportation Bill Yet?" Streetsblog USA, July 18, 2023, <https://usa.streetsblog.org/2023/07/18/did-minnesota-just-release-the-best-statewide-transportation-bill-yet>.

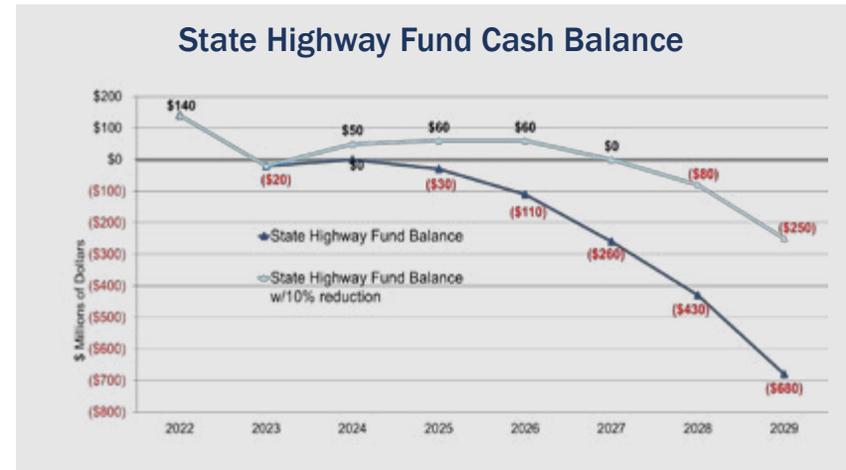
## 5: LOOKING FORWARD

Oregon, along with the rest of the world, has changed a lot since the passage of HB 2017. The state is experiencing the impacts of climate change in the form of deadly heat waves, devastating droughts, destructive wildfires, and more. The early years of the COVID-19 pandemic highlighted and exacerbated historic inequities; it also brought about changes in commute patterns and increased remote-work options. Our communities went through a national reckoning with the need for racial justice, which influenced how many public officials approach these issues. Oregon's population continues to grow older. The number of people experiencing homelessness has grown.<sup>158</sup> Infrastructure costs have increased nationally.<sup>159</sup> All of these factors and more are important considerations for the future of how people get around in Oregon.

158 Nicole Hayden, "Oregon's recent growth in homelessness among largest in nation," the Oregonian, April 5, 2023, <https://www.oregonlive.com/politics/2023/04/oregons-recent-growth-in-homelessness-among-largest-in-nation.html>.

159 Richard Korman, Scott Van Voorhis, "Uncertainty Reigns in Pricing 2023 Infrastructure Projects," Engineering News-Record, January 10, 2023, <https://www.enr.com/articles/55719-uncertainty-reigns-in-pricing-2023-infrastructure-projects>.

160 ODOT, "2027-2030 STIP Development" (PowerPoint presentation, Transportation Policy Alternatives Committee meeting, online, July 7, 2023). 31-37. <https://www.oregonmetro.gov/sites/default/files/metro-events/TPAC-meeting-packet-July-7-2023-final.pdf>



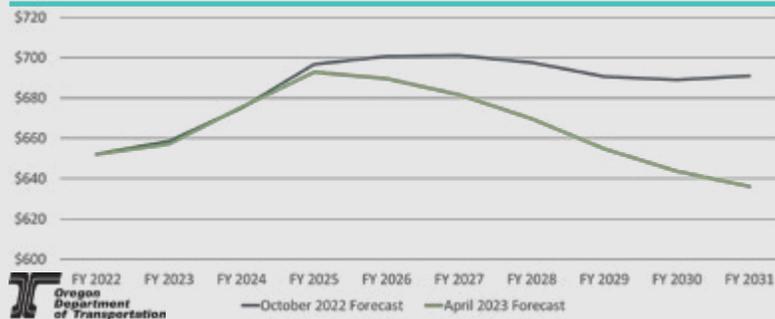
The State Highway Fund is forecasted to have a \$0 cash balance by 2027, even with a 10 percent spending reduction. The next transportation package will have to account for the reality of megaproject costs and the costs to maintain new and existing infrastructure.

### 5.1 ODOT IS OUT OF MONEY

On top of the regularly anticipated look at state transportation funding, ODOT is facing a significant reality check – the State Highway Fund is forecasted to have a \$0 cash balance by 2027, even with a 10 percent spending reduction.<sup>160</sup> This is a result of increasing inflation, declining gas-tax revenue, and the number of new projects planned.

## Oregon Motor Fuels Tax Forecast Comparison

In millions of nominal dollars



HB 2017 increased the gas tax while continuing to kick the can down the road on replacing it. Additionally, ODOT hoped tolling would allow it to keep building beyond current means, but now tolling is paused until 2026.

For decades, decision-makers have known that, as vehicles became more fuel efficient or electrified, gas-tax revenues would decline. Despite this, ODOT's gas-tax revenue projections and DEQ's fuel-consumption projections were still out of alignment as recently as 2022.<sup>161</sup> ODOT bases future revenue projections on existing revenue, while DEQ knows that fuel consumption must and will continue to decline to reach the state's climate goals.<sup>162</sup> HB 2017 increased the gas tax while continuing to kick the can down the road on

replacing it. Additionally, ODOT hoped tolling would allow it to keep building beyond current means, but now tolling is paused until 2026. As a result, ODOT paused work on the I-5 Rose Quarter Improvement Project and indefinitely postponed phase two of the I-205 expansion, which both

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**ODOT bases future revenue projections on existing revenue, while DEQ knows that fuel consumption must and will continue to decline to reach the state's climate goals.**

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relied on tolling revenue.<sup>163</sup> The state also committed \$1 billion from the General Fund toward the Interstate Bridge Replacement Program.<sup>164</sup> The next transportation package will have to account for the reality of megaproject costs and the costs to maintain new and existing infrastructure.

## 5.2 POLICY RECOMMENDATIONS

Community members, advocates, and stakeholders continually engage with the Joint Committee on Transportation (JCT), giving legislators a more consistent idea of transportation needs around the state. The JCT is also considering taking a listening tour around the state after the 2024

<sup>161</sup> Interview with transportation advocate, July 13, 2023.

<sup>162</sup> Interview with transportation advocate, July 13, 2023.

<sup>163</sup> Taylor Griggs, "Without Tolling Revenue, ODOT Puts the Brakes on Two Portland-Area Freeway Projects," *Portland Mercury*, June 26, 2023, <https://www.portlandmercury.com/news/2023/06/26/46578000/without-tolling-revenue-odot-puts-the-brakes-on-two-portland-area-freeway-projects>.

<sup>164</sup> Lauren Dake, "Heading toward adjournment, Oregon state lawmakers approve funding for Interstate 5 bridge replacement," *OPB*, June 20, 2023, <https://www.opb.org/article/2023/06/20/oregon-washington-interstate-5-i5-bridge-replacement-salem-politics-funding/>.

legislative session.<sup>165</sup> While legislators, public officials, and stakeholders have had individual conversations, nobody is currently leading a collective, public conversation about a 2025 package.

In smaller conversations, legislators are discussing adjustments to fees to ensure everyone pays their fair share toward the system.<sup>166</sup> Some are concerned that heavy-vehicle operators are paying too much in comparison to drivers who pay the gas tax; they're also concerned that EV owners aren't paying enough.<sup>167</sup> Regardless, the legislature will have to seriously contend with ODOT's financial situation. Other issues already coming up in conversations with legislators are safety, resiliency, and maintenance of the system.<sup>168</sup>

The recommendations that follow come from conversations with dozens of people from across the state about the impacts of HB 2017 and what might be needed in the next package. They're meant to be a starting point, and further work needs to be done to engage groups that have been historically underrepresented in transportation-policy development and decisions.

### **5.2.1 Expand funding for the successful programs in HB 2017.**

All of the programs in HB 2017 have been impacted by inflation, and all of them have more requests for funding than they can provide. All of these programs have very



Safe Routes to School improvements in Milwaukie. The legislature should expand funding and support for a number of programs, including SRTS (courtesy ODOT, CC BY 2.0 DEED).

immediate, positive impacts on Oregonians' lives. The legislature should expand funding and support for:

- Oregon Clean Vehicle Rebate Program,
- Oregon Community Paths,
- Small City Allotment (additionally, increase similar funding for counties),
- Safe Routes to School (additionally, identify increased and sustainable funding for programming), and

<sup>165</sup> Interview with an Oregon State Legislator, August 9, 2023.

<sup>166</sup> Interview with an Oregon State Legislator, August 9, 2023.

<sup>167</sup> Interview with an Oregon State Legislator, August 9, 2023.

<sup>168</sup> Interview with an Oregon State Legislator, August 9, 2023.

- Statewide Transportation Improvement Fund (STIF). Additionally, the legislature should:
  - Increase the base allocation for small providers;
  - Increase funding for youth transit services; and
  - Provide funding for transit ambassadors, mental health professionals, and social workers to increase transit safety.

### 5.2.2 Increase funding for transportation services for disabled people and older adults.

This major gap in HB 2017 still needs to be addressed. Transportation services for disabled people and older adults need an increase in sustainable funding. Lawmakers could take additional steps to improve transportation services and outcomes for these groups, including: improving travel between paratransit service areas, improving access to fixed-route transit, funding on-demand (same-day) paratransit pilots, prohibiting late or cancellation fees for healthcare appointments when an issue arises due to transportation, and funding pilots for free fixed-route service for these groups. Limited research is available on paratransit and equivalent services in Oregon, so a study on paratransit in Oregon would be beneficial to improving services in the long term.

### 5.2.3 Identify a funding source and entity to develop intercity transit connections.

Oregon faces a significant need for public transportation travel options between every region. Currently, the buses and trains that do run are too infrequent and limited in



The POINT intercity bus service. Oregon faces a significant need for public transportation travel options between every region (courtesy ODOT, CC BY 2.0 DEED).

service hours to be feasible for most people. Having an entity focused solely on planning and implementing larger regional connections would be more effective than hoping smaller transit agencies have the capacity for this work. At least hourly service between cities should be the goal.

### 5.2.4 Identify funding for jurisdictional transfers.

HB 2017 identified several roads to transfer from the state to local jurisdictions but didn't provide any funding for the work that needed to be done prior to transfer. Increased funding for the Great Streets program could help with this. Additionally, HB 2793, passed in 2023, created a clearer process for transfer funding prioritization.<sup>169</sup> A committee will recommend three jurisdictional transfers for funding ahead of every long legislative session.

169 HB 2793, 82nd Oregon Legislative Assembly. (2023). <https://olis.oregonlegislature.gov/liz/2023R1/Measures/Overview/HB2793>.



Paratransit rider. The legislature should increase funding for transportation services for disabled people and older adults, a major gap in HB 2017 that still needs to be addressed. (courtesy TriMet, CC BY 2.0 DEED).



A community engagement event in Hillsboro. We need better accountability around ODOT's communication about the impacts of its projects, before and after completion (courtesy ODOT, CC BY 2.0 DEED).

### **5.2.5 Increase public accountability and transparency.**

The Oregon Transportation Commission's members should reflect the diverse transportation needs of Oregonians. The OTC is currently limited in membership positions, lacks geographic diversity, and has a member base that often shares similar backgrounds or experiences with the transportation system. In the 2023 legislative session, HB 2619 proposed modifications to the OTC membership, but the bill sat untouched after being assigned to the Joint Committee on Transportation. That bill would be a great starting place to resume conversations about the OTC's important role in shaping Oregon's future.

Additionally, we need better public reporting on how new revenues are spent, and the impacts those funds and projects have on people's lives. For example, a dashboard updated quarterly showing how and where transportation funds are being spent would be useful.

Relatedly, we need better accountability around ODOT's communication about the impacts of its projects, before and after completion. Oregonians deserve meaningful educational outreach that accounts for both the benefits and tradeoffs of transportation projects, especially megaprojects. The heavy focus on short-term project benefits, over long-term costs and impacts on values people care about, is misleading, and this practice doesn't allow for genuine community engagement. This is critical to get right so Oregon can make serious and positive progress on climate change, inequities in transportation, and many other impacts that ODOT has had a history of misrepresenting or minimizing. In addition to more complete and honest public communications, ODOT should evaluate and prioritize projects according to how significantly they contribute to state goals on issues such as climate, safety, equity, and land use. The agency should provide this information and analysis to the public and decision-makers.

### **5.2.6 Address congestion effectively.**

With diverse transportation needs waiting to be met across the state, Portland-area traffic congestion must be addressed in a cost-effective manner. Implementation of congestion pricing should focus on pricing for behavior change, not on raising revenue. Ideally, any revenue raised would go toward funding alternative modes, such as regional transit;

this would further reduce congestion, offset the impacts on local communities from diversion, and reduce overall vehicle miles traveled.

### **5.2.7 Address the inequitable impacts of freeway construction.**

The state should continue exploring ways to reconnect communities that were divided by the construction of the interstate system, without widening that divide further. Already, Oregon is planning to cap I-5 in Portland's Albina neighborhood, but those plans are connected to widening the freeway. Historically, Harbor Drive was a Portland freeway that was removed and replaced with Tom McCall Waterfront Park.<sup>170</sup> In other states, communities are calling for DOTs to rethink urban freeways to be complete street boulevards instead.<sup>171</sup> Oregon can build a transportation system that works for everybody while strengthening communities and addressing system impacts.

### **5.2.8 Identify a sustainable gas-tax replacement.**

Oregon was the first state to implement a gas tax, and then the first to pilot a road-user charge program. HB 2017 took steps to diversify transportation revenue sources, but still ultimately relied on the gas tax and registration fees to support the State Highway Fund. The state is overdue to transition to a new revenue source to maintain the fund. Increasing fees on EVs will not make up for all users paying less. Continuing to rely on the gas tax is incompatible with climate goals and



The I-5 Rose Quarter area, where construction of the interstate highway system divided historically Black neighborhoods. The state should continue exploring ways to reconnect communities that were divided by the construction of the interstate system, without widening that divide further (courtesy ODOT, CC BY 2.0 DEED).

fuel-consumption forecasts. The replacement should not rely on sustaining VMT at current levels or higher.

### **5.2.9 Modify the allowed uses of the State Highway Fund.**

With the State Highway Fund revenue continuing to decline, we should limit funding allocations to maintenance, repair, operations, and transportation projects that demonstrably reduce GHG emissions and VMT by increasing connectivity

<sup>170</sup> Michael Lloyd, "Portland's Harbor Drive was an urban development landmark, before going away," the Oregonian, May 14, 2014, [https://www.oregonlive.com/multimedia/2014/05/portlands\\_old\\_harbor\\_drive\\_was.html](https://www.oregonlive.com/multimedia/2014/05/portlands_old_harbor_drive_was.html).

<sup>171</sup> Rethink35 (website), accessed August 17, 2023, <https://rethink35.org/>.



Road conditions on US 97 near Chemult require pothole filling in the middle of winter — usually a summer maintenance activity. ODOT maintains a fix-it-first policy internally, but it doesn't have a legislative mandate to ensure compliance (courtesy ODOT, CC BY 2.0 DEED).

or building safe, protected infrastructure for bicycles, pedestrians, and transit users in the right-of-way. Investing in public and active transportation benefits everyone, including drivers, by reducing pollution, congestion, and other negative impacts of automobile infrastructure. Modifying the use of the State Highway Fund would require Oregon to refer a constitutional amendment to voters, but many stakeholders and advocates view it as necessary to addressing climate

change and creating a transportation system that works for all Oregonians.

### **5.2.10 Expand local funding options.**

Local jurisdictions have expressed a need for more local funding mechanisms that are easier to implement via a simple ordinance instead of always having to take them to the ballot. Local funds are important for leveraging state and federal funds, and meeting matching requirements for grants.

### **5.2.11 Take a fix-it-first approach.**

As was a theme leading up to HB 2017, people around the state still want ODOT to consistently and sustainably prioritize maintenance of the existing roadway system. ODOT maintains a fix-it-first policy internally, but it doesn't have a legislative mandate to ensure compliance. HB 2677, introduced during the 2023 session, could serve as a starting point.<sup>172</sup>

### **5.2.12 Ensure new infrastructure investments are projects that reduce vehicle miles traveled.**

Reducing vehicle miles traveled (VMT) is essential for achieving goals around climate, equity, safety, congestion, and public health. Decision-makers should factor induced demand into roadway-capacity increases. New projects should seek to decrease VMT and reduce greenhouse gas emissions. If they don't, Oregon should look at alternatives. Colorado's rule on tracking and proving how road projects reduce VMT and GHG emissions could serve as a guide,

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172 HB 2677, 82nd Oregon Legislative Assembly. (2023). <https://olis.oregonlegislature.gov/liz/2023R1/Measures/Overview/HB2677>

as could HB 3483 introduced in the 2023 Oregon legislative session.<sup>173</sup>

### 5.2.13 Adopt a complete streets requirement.

Complete streets are an approach to street design and look different in every community. Complete streets prioritize safe access for all users. Depending on local context, complete streets may include sidewalks, bike lanes, transit-only lanes, frequent and marked crosswalks, and traffic-calming measures, like narrower lanes.<sup>174</sup>

Adopting a complete streets requirement for large projects, similar to Washington, ensures that projects integrate all modes of transportation, including how they interact with each other, to increase network connectivity and safety for vulnerable road users.

### 5.2.14 Account for the housing impacts and needs related to transportation investments.

When a community receives investments in its transportation infrastructure, the people living there should get to enjoy the improvements. The state must ensure community members aren't priced out, by recognizing the connection between transportation and housing through land banking, the creation of permanently affordable housing, and other strategies. While the state addresses the housing crisis, it can also address people's transportation

needs through transit-oriented and greenway-oriented development.

### 5.2.15 Apply an equity lens.

Oregon should look at everything in the next transportation package through an equity lens. Funding mechanisms shouldn't disproportionately burden taxpayers with low incomes. Decision-makers should consider how investments impact future generations with respect to who benefits from and who pays for project decisions being made now. The package should prioritize the needs of people who aren't reliably having their transportation needs met, such as communities of color, which have been historically underinvested in.

### 5.2.16 Apply a climate lens.

2025 would bring the first big transportation package since Governor Kate Brown issued Executive Order 20-04, which set new state goals of reducing GHG emissions at least 45 percent below 1990 levels by 2035, and at least 80 percent

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**“There are so many things we need to do, especially in the transportation sector, to really drive down emissions. We are running out of time to do it.” —Vivian Satterfield, transportation advocate**

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173 Michael Booth, “New CDOT rules will force road projects to cut emissions — or else put money toward transit options,” the Colorado Sun, December 16, 2021, <https://coloradosun.com/2021/12/16/cdot-greenhouse-gas-cuts-highway-projects-colorado/>. HB 3483, 82nd Oregon Legislative Assembly. (2023). <https://olis.oregonlegislature.gov/liz/2023R1/Measures/Overview/HB3483>.

174 Smart Growth America, “Complete Streets,” accessed September 6, 2023, <https://smartgrowthamerica.org/what-are-complete-streets/>.

below 1990 levels by 2050.<sup>175</sup> If the legislature continues on the path of passing transportation packages every eight years, then we will not have another until 2033, making investments in the 2025 package all the more critical in achieving emissions reductions from transportation.

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**“I want to see a transportation package that radically invests in decarbonizing our transportation system in a way that hasn’t been done before, and invests in shifting us away from cars.” —Adah Crandall, youth climate justice organizer, Sunrise Movement**

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Projects and programs included in the next transportation package should demonstrate how they’ll reduce emissions and vehicle miles traveled. To achieve the 1.5 degrees Celsius warming targets, IPCC reports indicate the need to reduce VMT by 20 percent below current levels, irrespective of whether the cars are electric or gas-powered.<sup>176</sup> Oregon always has more transportation projects than funds to allocate, so it’s important that earmarked funds make significant strides toward these goals.

### **5.2.17 Apply a safety lens.**

Everything from maintenance and operations to new infrastructure projects has an impact on the safety of our



Breached irrigation ditches resulted in flooding and freeway closures in eastern Oregon on I-84 near Echo. Projects and programs included in the next transportation package should demonstrate how they’ll reduce emissions and vehicle miles traveled (courtesy ODOT, CC BY 2.0 DEED).

transportation system. It’s not just infrastructure, though. The size of vehicles in the United States is growing, as is the share of “light trucks” (SUVs, pickup trucks, vans, etc.).<sup>177</sup>

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175 “Directing state agencies to take actions to reduce and regulate greenhouse gas emissions,” Executive Order No. 20-04, March 10, 2020, [https://www.oregon.gov/gov/eo/eo\\_20-04.pdf](https://www.oregon.gov/gov/eo/eo_20-04.pdf).

176 Mia Reback, “Four Lessons for Cities in the Latest IPCC Report,” RMI, April 6, 2022, <https://rmi.org/four-lessons-for-cities-in-the-latest-ipcc-report/>.

177 Kevin J. Krizek, “Ever-larger cars and trucks are causing a safety crisis on US streets – here’s how communities can fight back,” The Conversation, August 2, 2023, <https://theconversation.com/ever-larger-cars-and-trucks-are-causing-a-safety-crisis-on-us-streets-heres-how-communities-can-fight-back-206382>.



The overall safety of the transportation system should be a data-driven factor in every investment Oregon makes, with a focus on eliminating crash fatalities (courtesy TriMet, CC BY 2.0 DEED).

Based on preliminary data from the Governors Highway Safety Association, in 2022, Oregon had one of the largest increases in pedestrian fatalities in the United States.<sup>178</sup> In Multnomah County, a report found that people of color, people experiencing homelessness, and residents with low incomes are overrepresented in all traffic fatalities.<sup>179</sup> This connects to housing, land use, and transportation – where

we live and what our communities look like shape our outcomes.

The risk of dying in a crash on a rural road is 62 percent higher compared with an urban road for trips of the same length.<sup>180</sup> On rural state highways in Oregon, traffic fatalities are often speed-related where drivers don't safely navigate turns or they cross the center line.<sup>181</sup> Oregon needs to invest in more traffic-calming efforts and safety measures. Maintenance and operations plays an important role in keeping roads safe, too. Seismic and disaster resiliency should also be taken into account.

The overall safety of the transportation system should be a data-driven factor in every investment Oregon makes, with a focus on eliminating crash fatalities, particularly for vulnerable road users, like pedestrians and cyclists, who are disproportionately impacted. A safe system ensures that even when human errors happen, no serious injuries or deaths occur.

### **5.2.18 Approach community engagement thoughtfully.**

Community engagement is important for building public awareness, trust, and support for ideas. However, with so many opportunities for public involvement on a range of

178 Governors Highway Safety Association, "Pedestrian Traffic Fatalities by State, 2022 Preliminary Data," Spotlight On Highway Safety, June 2023, (8). <https://www.ghsa.org/sites/default/files/2023-06/GHSA%20-%20Pedestrian%20Traffic%20Fatalities%20by%20State%2C%202022%20Preliminary%20Data%20%28January-December%29.pdf>.

179 Andrew Then, Traffic deaths are a 'significant public health threat,' Multnomah County report says," OPB, August 7, 2023, <https://www.opb.org/article/2023/08/07/portland-traffic-deaths-multnomah-county/>.

180 Aaron Westling, "Rural roads are among America's most deadly," State Smart Transportation Initiative, October 10, 2022, <https://ssti.us/2022/10/10/rural-roads-are-among-americas-most-deadly/>.

181 Interview with ACT member, July 13, 2023.



An open house on value pricing. Despite numerous opportunities for public involvement, many people still experience barriers to participation. (courtesy ODOT, CC BY 2.0 DEED).

issues at all levels of government, community engagement must be done well. Many communities and individuals are tapped repeatedly for feedback on ideas, but never see how their input gets used or makes a tangible difference in their lives. As many stakeholders pointed out, people's needs and concerns regarding transportation are well-known, but truly listening and addressing them is up to the legislature. Or, if not addressing needs, the legislature should explain why they're not.

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**“It’s pretty tough to move a transportation package on the scale that we did [for HB 2017] without widespread support.” —Jim McCauley, legislative director, League of Oregon Cities**

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Despite numerous opportunities for public involvement, many people still experience barriers to participation. Daytime hearings and meetings are challenging for anyone in work or school to be able to attend. Childcare availability and affordability impacts whether parents can sit through hours-long hearings. When people are able to participate, it's important that their input be valued and respected – not held up for critique by people in positions of power, as was done in hearings on HB 2017.

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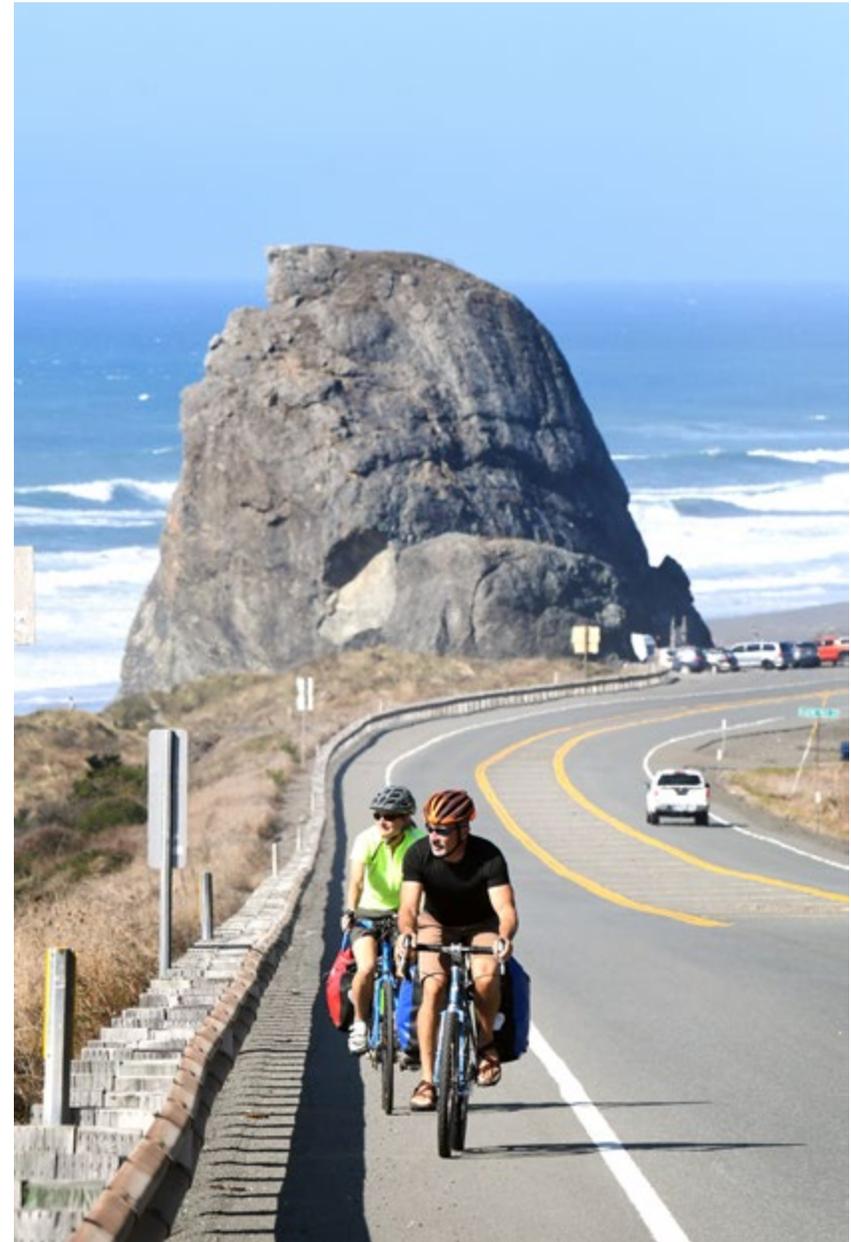
**“At this point, we know what people are concerned about. How do we not keep asking people to tell decisionmakers over and over again what they need?” —Noel Mickelberry, former executive director, Oregon Walks**

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Oregon should engage in robust community engagement on a multiyear timeline to build the consensus needed for another successful state transportation package.

## 6: CONCLUSION

Oregon has the opportunity to make a generational investment in its transportation system. With a new funding package comes the chance to build a transportation system that meets the needs of all Oregonians. The state can have a transportation system that improves people's quality of life, increases access to opportunities, and preserves Oregon's natural resources by preventing sprawl and deeply addressing climate change. It will take bold leadership to move Oregon in a new direction, but the time to do it is now.



Right: People cycling on Highway 101 (courtesy ODOT, CC BY 2.0 DEED).