

Oregon Transportation Forum Address

January 7, 2026

PSU Portland Center

Approximately ~ 7 minutes

Welcome

Good morning, everyone. Thank you for the opportunity to join you today. Before we talk about what comes next, I want to start by thanking you for the work you did throughout 2025. Your dedication and expertise helped lead to the passage of the Emergency Transportation Package during last September's special session. Your engagement continues to matter deeply.

I'm here today to ask for your partnership to move us all forward on achieving a top-notch Oregon Department of Transportation AND the sustainable funding necessary to meet our multi-modal needs across the state. We have a near-term mission and a longer-term path together.

Situation Recap and Problem Statement

So let's recap a few things.

For years, ODOT has faced a structural decline in revenue. Inflation has only compounded the problem, forcing deeper budget cuts every budget cycle. We've seen the consequences firsthand.

Major projects delayed. Trash and graffiti that blight our highways. DMV offices with broken bathrooms that never get fixed and ultimately close. Affordable housing projects stalled because permits can't be processed. Families asking when we will fix dangerous intersections where people keep dying. Road and bridge failures with no reliable reopening timelines. Local advocates wondering why projects they've worked on for a decade still can't move forward. Transit districts cutting routes and laying off workers.

These problems have been building for years. And you all dug in to be ready for solutions last year. But when the 2025 session ended without new revenue, we reached a crisis point.

At that moment, I had two choices. Lay off hundreds of workers and close maintenance stations statewide or call a special session. I chose the second option.

After a long summer and many twists and turns, the Legislature passed House Bill 3991, increasing funding for ODOT, local governments, and transit districts through changes to the gas tax, payroll tax, and registration fees.

But you all know the score today. Those funding solutions are frozen following a signature-gathering campaign led by legislative Republicans and Oregon Taxpayers United.

Impacts and Current Reality

So here we are. Facing the same complaints. Preparing once again for layoffs this spring. And watching the weather closely, knowing a mild winter can change overnight.

One of the most disappointing outcomes is that while the Emergency Transportation Package halted layoffs on paper, the ongoing instability drove hundreds of ODOT employees to leave anyway. That vacancy reduced the projected agency budget deficit from \$300 million to \$242 million – but at a steep cost.

We lost engineers, maintenance workers, project managers, and critical IT staff. Service has continued to degrade, and our services are more vulnerable than ever. It's not just about skill – it's about the experience and knowledge required to operate our transportation system that people and commerce rely on. Rebuilding that takes time and resources.

Call to Action

It's OK to be disappointed – and feel all kinds of other emotions.

But it's not OK to give up.

Here is what I am asking the Oregon Legislature to do in the February session and how we move forward in the long-term:

redirect, repeal, and rebuild.

Step One: Redirect funding from House Bill 2017 to operations and maintenance.

Even supporters of the referral have since called for emergency transportation funding. If that commitment stands true, many of those ideas are now on the table.

This redirection of existing resources will require statutory changes and hard conversations about tradeoffs. Nearly every transportation fund and program must be considered.

There is one clear exception, and that's current transit service. We cannot gut transit districts by redirecting existing payroll tax revenue. That would devastate service and harm those who can least afford it.

And to be clear, general fund dollars are not an option. The Ways and Means Co-Chairs have been resolute on this point. We have other budget challenges that will need those dollars. When I say redirect and reallocate, I mean transportation resources only to solve the ODOT budget crisis.

Step Two: Repeal House Bill 3991.

Opponents of the bill and thousands of Oregonians across the state have made their point, and we need to move in a new direction. House Bill 3991 was a stopgap measure, designed to prevent collapse this biennium. By the time voters weigh in months from now, we will be nearing the end of the sixth quarter of a two-year budget. A partial fix that late in the biennium solves nothing.

Leaving the law in place forces ODOT to bear implementation costs without new resources, prolongs instability, and delays the real conversation we need to have about long-term solutions.

Step Three: Join me in building a new path forward.

The last successful transportation package followed a governor-led process. I am committing my office to that work.

I will convene stakeholders, a bipartisan group of lawmakers, and technical experts to develop a comprehensive transportation funding and investment package for 2027. This effort will align with my broader focus on economic development. Our economy depends on movement, and people depend on jobs. Done right, infrastructure delivers both.

From all of you, I am asking for early, honest, and sustained engagement. What do you need to see in a package? How can you help make it viable? And how do we build durable public support for shared investment?

Thank you for having me this morning.

We are at a crossroads. The decisions we make in the coming weeks will determine whether Oregon's transportation system continues to decline or whether we seize this moment to build something stronger, smarter, and more sustainable. This is not just about roads and bridges. It is about safety, economic growth, and quality of life for every Oregonian. It is about keeping our communities connected and our economy moving.

The challenges are real, but so is our ability to solve them—together. Let's turn frustration into focus and uncertainty into action.

I look forward to working with each of you to craft the solutions Oregon needs and deserves. The time to act is now. Let's get to work.