



# Oregon

Theodore R. Kulongoski, Governor

Department of Transportation

Office of the Director

355 Capitol St. NE, Room 135

Salem, OR 97301

DATE: March 2, 2009

TO: House Transportation Committee

FROM: Matthew L. Garrett, Director  
Oregon Department of Transportation

SUBJECT: HB 2120 – Jobs and Transportation Act (JTA)

## Introduction

Transportation is essential to Oregon's economic health. A sound multimodal transportation system is needed to support Oregon's economy, facilitate desired growth, reduce the costs of congestion and inefficiency and link us together to promote success in all regions of the state. Oregon's economic future depends on maintaining, operating and strategically investing in an efficient transportation system that can keep up with the needs of Oregonians.

## Needs

Oregon and the nation are currently faced with a painful recession, which makes it difficult to think about the future. Historically, in difficult times, Oregon has invested in transportation, knowing the investment will pay dividends in the future. Policy decisions were made recently to invest in transportation infrastructure through the Oregon Transportation Investment Acts.

To support Oregon's economy, today, we have the opportunity to make smart, cost-effective and environmentally sound investments in transportation infrastructure. The 2009 Jobs and Transportation Act (JTA), House Bill 2120 as written will create and sustain 14 family wage jobs annually over the next five years for every \$1 million invested in transportation. The bill also protects Oregon's environment and enhances the quality of life for Oregonians.

## What the Bill Does

The 2009 Jobs and Transportation Act (JTA) lays the groundwork for a strong and healthy economic recovery. The JTA provides an ongoing funding mechanism that raises \$490 million a year through updated registration and title fees and a 2-cent increase in the state gas tax.

Through the legislation, bottlenecks in the transportation system will be relieved through \$600 million in one-time funding. Multi-modal transportation – ports, air, rail, and marine – will receive \$150 million in funding through a continued *ConnectOregon* program.

The JTA provides for a sustainable transportation package and includes a least-cost planning model, which requires evaluating a range of solutions and options that reduce harm to the environment. In addition, the bill takes steps to reduce greenhouse gas emissions by providing incentives for electric vehicles, enhancing environmental standards for the transportation program, and funding transportation options to reduce the number of cars on the road.

A Transportation Utility Commission is created through the legislation with a role to evaluate road assets throughout Oregon, create a framework for determining total costs to fund the transportation system, and determine the revenue needed to meet the costs. The Commission reports back to the legislature in 2011, and the Commission may in the future have the primary responsibility for setting transportation rates.

### Summary

The Jobs and Transportation Act jump-starts Oregon's economy, and creates and sustains jobs. By investing in transportation and focusing on job creation, we prepare to capture opportunities when our nation's economy recovers. The JTA is a sound investment in transportation and Oregon's citizens.