

Transportation

PROGRAM AREA AGENCIES

TRANSPORTATION BENCHMARKS..... G-3
 OREGON DEPARTMENT OF AVIATION..... G-5
 DEPARTMENT OF TRANSPORTATION G-7

	2001-03 Actuals	2003-05 Legislatively Approved	2005-07 Governor's Recommended
General Fund	\$17,113,741	\$3,914,616	\$9,026,167
Lottery Funds	10,108,962	21,145,902	33,187,224
Other Funds	1,640,943,784	2,483,372,657	2,548,018,361
Federal Funds	50,560,257	69,297,154	77,110,703
Other Funds (Nonlimited)	152,696,986	113,826,556	208,967,153
Federal Funds (Nonlimited)	0	0	0
Total Funds	\$1,871,423,730	\$2,691,556,885	\$2,876,309,608
Positions	4,872	4,709	4,703
Full-time Equivalent	4,709.62	4,601.68	4,605.58

Overview

This program area strives to ensure efficient and safe transportation to maximize the state's economic competitiveness and livability. Program area agencies work with Oregon citizens, businesses, and local governments to select, develop, and implement projects that support these goals. The Transportation Program Area includes two agencies: the Department of Aviation and the Department of Transportation.

Less than one percent of program area activities are supported by General Fund, which is used for the passenger rail program. Other Funds revenue sources include fuel taxes, motor vehicle and aircraft registrations, driver license fees, airport leases, and maritime pilot fees. Fee increases are kept to a minimum to support service levels that stakeholders have identified as necessary. Lottery Funds support debt service on rail construction projects, short line rail infrastructure loans, and a recommended investment in multi-modal infrastructure. Federal Funds support highway, transit, rail programs, and airport improvement programs. Federal Highway dollars are budgeted and spent as part of the Other Funds category. All other Federal Funds are budgeted and spent as Federal Funds.

Recommended Budget

The Governor's recommended budget for this area maintains programs and will operate within existing revenues.

The Department of Aviation's budget maintains programs at levels approved by the 2003 Legislature. It also supports airport improvement grants, planning activities, and construction projects.

Transportation

The Department of Transportation's budget includes adjustments for payouts on construction projects and supports construction of highway maintenance facilities. It also includes funding for access management, transportation systems, and transportation engineering activities in addition to an increased investment in multi-modal infrastructure.

Transportation

TRANSPORTATION BENCHMARKS

Transportation services strive to provide a safe, efficient transportation system that supports economic opportunity and livable communities for Oregonians. The primary Oregon Benchmarks related to transportation are: travel delay, single occupancy vehicle commuting, vehicle miles traveled in metropolitan areas, and road conditions.

Travel delay – Benchmark 67: hours of travel delay per capita per year in urban areas: a. Portland metro, b. all other. Increased congestion exacts a large toll, resulting in more air pollution, more gasoline use, and higher costs of goods and services. It is also responsible for driver frustration and lost work time. Travel delay worsened from the early 1990s to 2000, then eased somewhat. Experts attribute this to the weak economy.

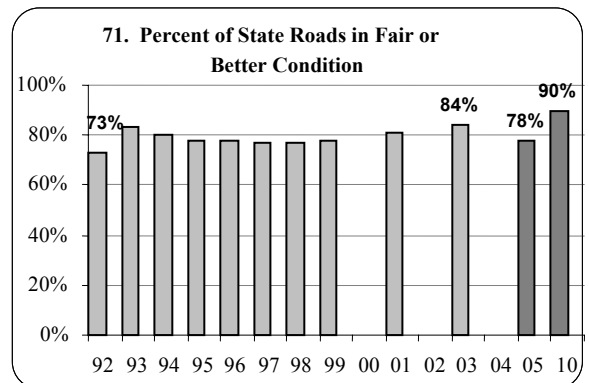
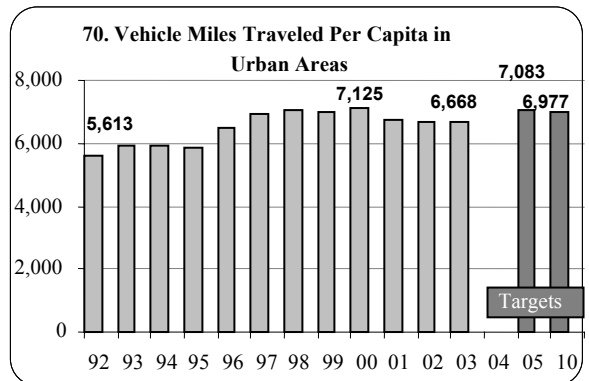
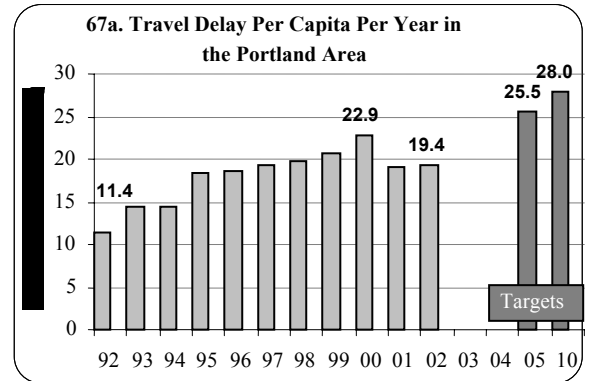
Commuting – Benchmark 69: percent of Oregonians who commute during peak hours by means other than driving alone. Between 25 and 30 percent of Oregonians commute using other modes of transportation, including carpooling. This helps to lessen congestion and travel delay.

Vehicle miles traveled - Benchmark 70: number of per capita vehicle miles traveled in Oregon metropolitan areas for local, non-commercial trips. More people driving more miles intensifies congestion. This fell in the recession years following 2000, when the average per capital number of vehicle miles traveled peaked at over 7,000.

Road condition - Benchmark 71: percent of state roads in fair or better condition. The transportation system needs to have good roads to provide Oregon businesses access to various markets within and beyond Oregon. This measure is based on the percent of roads that do not contain major areas of structural deficiency or instability. The percent of state roads in this category has remained in the 80 percent range over the last ten years.

Additional benchmarks related to transportation are:

- **Employment in rural Oregon** – Benchmark 1: percent of Oregonians employed outside the Willamette Valley and the Portland tri-county area.
- **Net job growth** – Benchmark 4: net change in number of Oregon jobs.
- **Premature death** – Benchmark 45: years of life lost before age 70.



Transportation

- **Independent seniors** – Benchmark 58: percent of seniors living independently.
- **Disabled employment** – Benchmark 59: percent of adults who are capable of working.
- **Air quality** – Benchmark 74: percent of time that the air is healthy to breathe for all Oregonians.
- **Salmon recovery** – Benchmark 84: percent of wild native fish populations that are healthy.

Data and reports for all Oregon Benchmarks can be found at <http://www.oregon.gov/DAS/OPB/obm.shtml>.

Transportation

OREGON DEPARTMENT OF AVIATION

	2001-03 Actuals	2003-05 Legislatively Approved	2005-07 Governor's Recommended
General Fund	\$0	\$0	\$0
Lottery Funds	0	0	0
Other Funds	11,446,996	13,990,208	7,074,411
Federal Funds	0	0	10,510,000
Other Funds (Nonlimited)	0	0	0
Federal Funds (Nonlimited)	0	0	0
Total Funds	\$11,446,996	\$13,990,208	\$17,584,411
Positions	16	16	16
Full-time Equivalent	16.00	16.00	16.00

Overview

The Oregon Department of Aviation's mission is to advocate for the safe operation, growth, and improvement of aviation in Oregon. Founded in 1921, it was the first government aviation agency in the United States.

The Department plans development of airports, state airways, and aviation industries. In addition, the Department is responsible for operations and maintenance of 30 state-owned airports. The Department also assists communities in obtaining federal support for airport construction and maintenance; registers pilots, aircraft, and airports; and inspects and licenses about 100 public and 300 private airports and heliports.

State jet fuel and aviation gas taxes fund the Statewide Airport Pavement Maintenance program. The Department also awards grants to communities to use as match for federal funds or to fund projects that are not eligible for federal support.

Recommended Budget

The Governor's recommended budget is \$17,584,411 Total Funds, just over 25 percent increase from the 2003-05 Legislatively Approved Budget. The increase is due to a large increase in the amount of federal funding expected for airport planning and improvement projects statewide.

The Governor's recommended budget maintains programs at levels approved by the 2003 Legislature. It also supports airport improvement grants, planning activities, and construction projects.

Transportation

Revenue

Other Funds and Federal Funds support the Department. Other Fund revenues come from licenses, registrations, leases, fuel taxes, and other sources. The Federal Aviation Administration provides 100 percent of federal support in the form of grants requiring a five percent state match.

Transportation

DEPARTMENT OF TRANSPORTATION

	2001-03 Actuals	2003-05 Legislatively Approved	2005-07 Governor's Recommended
General Fund	\$17,113,741	\$3,914,616	\$9,026,167
Lottery Funds	10,108,962	21,145,902	33,187,224
Other Funds	1,629,496,788	2,469,382,449	2,540,943,950
Federal Funds	50,560,257	69,297,154	66,600,703
Other Funds (Nonlimited)	152,696,986	113,826,556	208,967,153
Federal Funds (Nonlimited)	0	0	0
Total Funds	\$1,859,976,734	\$2,677,566,677	\$2,858,725,197
Positions	4,856	4,693	4,687
Full-time Equivalent	4,693.62	4,585.68	4,589.58

Overview

The mission of the Department of Transportation (ODOT) is to provide an efficient, safe transportation system that supports economic opportunity and livable communities for Oregonians. ODOT manages the following operations:

- Highway and bridge construction, preservation, operation, and maintenance.
- Support for other modes of transportation.
- Travel safety.
- Driver and Motor Vehicle services.
- Commercial trucking services.
- Central Services.

In addition, the agency budget includes pass-through dollars for light rail projects and includes the Board of Maritime Pilots' budget. Agency policy and funding issues include:

- System Demands: Oregon's population, growing at an average annual rate of 1.2 percent, is expected to grow by nearly one million people during the next 20 years. Along with population growth come increases in the number of cars and trucks on the roads, increasing demands on the transportation system. The number of miles traveled on Oregon roads has grown 30 percent in the past 10 years, while inflation has reduced the buying power of the gas tax. Oregon's growing needs are outpacing ODOT's ability to provide the transportation system necessary to meet public expectations and economic needs.

Transportation

- Revenue: Oregon's revenue sources for transportation activities have not kept pace with the transportation needs in the state. The \$0.24 per gallon gas tax has not been increased since 1991. Attempts to increase the tax since then have not succeeded. Due to a 2001 Attorney General opinion, some ODOT programs were deemed to be ineligible for Highway Fund support. One outcome of this determination was House Bill 3882 (2001) that allowed for fuel taxes related to non-road uses to not be subject to Highway Fund constitutional restrictions.
- Oregon Transportation Investment Act(s): Three different pieces of legislation, collectively called the Oregon Transportation Investment Act (OTIA) provided the Department with \$3 billion in projects by bonding new revenue from vehicle title fee increases and other sources. These dollars have been allocated to approximately 538 new state and local highway and bridge projects that will be completed over the next five years. ODOT's challenge is to complete these projects while still moving forward on other projects that were already scheduled under the Statewide Transportation Improvement Plan (STIP). STIP is a federally required document that identifies estimated costs and timelines for transportation projects and programs. ODOT is implementing new processes to get projects up and running as soon as possible to meet this challenge.
- Organizational Needs: ODOT's recent focus has been on managing the influx of funding to address Oregon's most immediate and critical transportation infrastructure needs. ODOT has not received significant additional funding earmarked for internal projects that are important to the agency's sustainability and continued success in carrying out its mission. Dollars to support these projects could either come from existing Highway Fund resources, which would impact programs, or from increases in Highway Fund revenues.

Recommended Budget

The Department's recommended budget is \$2.9 billion total funds. This is a 6.8 percent increase from the 2003-05 Legislatively Approved Budget. The increase is driven by inflation, adjustments for anticipated payouts on highway construction projects, and a recommended investment in multi-modal transportation infrastructure. The recommended budget prioritizes and supports both transportation system and agency needs.

The Highway Division's budget includes annual program targets for highway maintenance and construction programs. The recommended budget includes access management, regional trip planning, transportation systems maintenance, multi-modal infrastructure investment, transit vehicle replacement, and transportation engineering support.

The Rail Division's budget continues support for passenger rail operations and light rail projects. It also includes funding for the Lewis and Clark Bicentennial Celebration Excursion Train, which will operate between Portland and Astoria. This project is anticipated to bring tourists and their dollars to the region.

In order to balance to current law revenue, the budgets for Motor Carrier Transportation, Public Transit, and Rail are decreased. Core program services will continue, however, reductions will have some impact on service delivery. The budget includes some fee increases for these divisions, which are used to support programs ineligible for Highway Fund dollars.

Transportation

The recommended budget also includes expenditure limitation for construction or repair of highway maintenance buildings, finance operations, and contract delivery.

Revenue

Less than one percent of the agency's budget is General Fund. It is used for passenger rail and public transit programs. Other Fund revenues sources include motor fuel taxes, motor vehicle and driver license fees and registration, maritime pilot fees, charges for services, and other sources. Lottery Funds support debt service on rail projects and short line rail infrastructure loans. The agency receives Federal Fund revenues for federal highway, transit, and rail programs. The Department shows most of its federal highway revenue as Other Funds, except for dollars from certain federal sources, which are targeted for specific non-highway related activities.

Transportation
