

From: [Robert Cortright](#)
To: [JCT Exhibits](#)
Subject: Please say no to SB 413
Date: Tuesday, April 9, 2019 12:38:27 PM

Dear Joint Transportation Committee:

I urge you to table or reject SB 413. It's a bad idea that will complicate and work against, rather than for, meeting important transportation needs. There are several major problems with this bill:

SB 413 would distract from efforts to address our most important transportation needs: maintenance of our aging road infrastructure, upgrades to withstand the coming Cascadia earthquake, and reducing carbon emissions. Each of these needs are fundamental to our state's transportation future and each will be incredibly complicated and expensive to address. We need to focus our energy and limited resources on efficient, effective solutions to address these needs. The addition of single-purpose road districts pursuing new roads would divert resources from these critical needs and work against making our transportation system work better.

SB 413 is based on outdated, deeply flawed assumptions about the importance of new highways to economic development and freight mobility. While the idea that building new highways is necessary to achieve sustain economic growth, a close examination of the evidence shows that today new highways generate little or no economic benefit and that the importance of improving freight mobility is overrated. A detailed analysis by Joe Cortright at City Observatory "The Myth of Oregon's Freight Dependent Economy" - https://pdxscholar.library.pdx.edu/cgi/viewcontent.cgi?article=1009&context=trec_seminar - reviews Oregon's economy and available studies. It shows that:

- Freight volumes in Oregon are actually dropping, at the same time that Oregon's economy is rapidly growing and the value of freight moved is increasing.
- The success of Oregon businesses is tied to the *quality* of the products we make, not to the efficiency of our transportation system in moving them to market.
- Economic studies conclude we have a fully developed transportation system that has reached the point of diminishing returns: the return on investment (ROI) in new highway improvements, which was significant in the 1970s and 80s, is now essentially zero. Leading economists have concluded that the cost of moving goods is now so low that it is really a non-factor in production decisions.

SB 413 would further fragment and complicate planning and funding Oregon's transportation system. SB 413 calls for single purpose highway districts that would compete all the other levels of government and agencies that are already responsible for our transportation system: including ODOT, cities, counties, metropolitan planning organizations and transit districts. We already have enough agencies involved in planning and managing our transportation system, we shouldn't add another.

In short, Oregon has important transportation needs and issues to address, but SB 413 would take us in the wrong direction by diverting limited resources to expensive, unnecessary and unproductive highway projects. Please, just say no.

Sincerely,

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