

SB 5542 BUDGET REPORT and MEASURE SUMMARY

Joint Committee On Ways and Means

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**Department of Transportation
2021-23**

PRELIMINARY

Budget Summary*

| | 2019-21 | 2021 - 23 | 2021-23 | Committee Change from 2019-21 | |
|--------------------------|--|-----------------------|--------------------------|---|----------|
| | Legislatively Approved Budget ⁽¹⁾ | Current Service Level | Committee Recommendation | Committee Change from 2019-21 Leg. Approved | |
| | | | | \$ Change | % Change |
| General Fund | \$ 118,926,339 | \$ 18,371,940 | \$ 32,771,940 | \$ (86,154,399) | -72.4% |
| Lottery Funds | \$ 115,171,361 | \$ 126,019,800 | \$ 125,455,188 | \$ 10,283,827 | 8.9% |
| Other Funds Limited | \$ 4,774,999,668 | \$ 4,501,609,074 | \$ 4,671,724,622 | \$ (103,275,046) | -2.2% |
| Other Funds Nonlimited | \$ 1,342,190,948 | \$ 18,000,000 | \$ 18,000,000 | \$ (1,324,190,948) | -98.7% |
| Federal Funds Limited | \$ 310,512,126 | \$ 126,003,195 | \$ 126,003,195 | \$ (184,508,931) | -59.4% |
| Federal Funds Nonlimited | \$ 21,243,619 | \$ - | \$ 20,679,380 | \$ (564,239) | -2.7% |
| Total | \$ 6,683,044,061 | \$ 4,790,004,009 | \$ 4,994,634,325 | \$ (1,688,409,736) | -25.3% |

Position Summary

| | | | | |
|--------------------------------------|----------|----------|----------|-------|
| Authorized Positions | 4,867 | 4,759 | 4,843 | 24 |
| Full-time Equivalent (FTE) positions | 4,710.09 | 4,654.19 | 4,679.44 | 30.65 |

⁽¹⁾ Includes adjustments through January 2021

* Excludes Capital Construction expenditures

Summary of Revenue Changes

More than 93 percent of the Oregon Department of Transportation's (ODOT) available revenues are Other Funds. The four largest revenue sources in this category are motor fuel taxes, driver and vehicle licenses and fees, weight-mile taxes and Federal Funds from the Federal Highway Administration (FHWA), which are matched with state funds for highway projects. Federal Funds from other federal agencies including the National Highway Traffic Safety Administration (NHTSA), the Federal Railroad Administration and the Federal Transit Administration are dedicated for specific purposes.

In the 2017 legislative session, HB 2017, also known as Keep Oregon Moving, made significant investments in transportation. Keep Oregon Moving will produce an estimated \$5.3 billion in total revenue over its first 10 years. When all taxes and fees are in place in 2024, Keep Oregon Moving will produce \$500 million in State Highway Fund revenue, annually. The increase in revenue is generated with increases in the motor fuels tax, as well as vehicle title and registration fees over a seven-year period.

The Department also receives funds from the federal gas tax, which has not been raised since 1993. Declining federal gas tax receipts have contributed to concerns about the long-term viability of the federal Highway Trust Fund, which has been buoyed by a series of short-term measures. Most recently, Congress passed an extension of the current federal surface transportation authorization legislation, the Fixing

America's Surface Transportation Act (FAST Act), through September 2021. Failure to reauthorize and provide additional resources may result in decreases to federal transportation funding by as much as 25%.

Summary of Transportation and Economic Development Subcommittee Action

The mission of the Oregon Department of Transportation (ODOT) is to provide a safe, efficient transportation system supporting economic opportunity and livable communities for Oregonians. ODOT was established in 1969 and was reorganized in 1973 and 1993 by the Oregon Legislature. The Oregon Transportation Commission (OTC) is made up of the Department's director and a five-member policy board, all of which are appointed by the Governor. OTC develops and maintains state transportation policy and a comprehensive, long-range plan for a multi-modal transportation system; the Commission also provides policy direction and oversight for programs relating to rail, highway, motor vehicles, public transit, transportation safety and other transportation related activities.

The Department is responsible for a wide range of programs and activities related to Oregon's transportation systems. The Department is involved in developing highways, roads and bridges; railways and public transportation services; bicycle and pedestrian paths; transportation safety programs; driver and vehicle licensing; and motor carrier regulation. ODOT works with a variety of organizations on these diverse issues.

The Subcommittee's recommended budget for ODOT is \$4,994,634,325 total funds, with \$32,771,940 General Fund, \$125,455,188 Lottery Funds, \$4,671,724,622 Other Funds expenditure limitation, \$126,003,195 Federal Funds expenditure limitation, \$18,000,000 Other Funds Nonlimited, \$20,679,380 Federal Funds Nonlimited and 4,843 positions (4,679.44 FTE).

Nonlimited

This structure includes ODOT's Nonlimited expenditures for the Oregon Transportation Infrastructure Bank (OTIB). OTIB makes loans to local governments, transit providers, ports and other eligible borrowers. The fund was capitalized with a combination of federal and state funds and interest earnings. Revenue bonds also may be issued to provide additional capitalization. As loans are repaid, principal and interest is returned to the bank and made available for new loans. Staffing for OTIB is included in the Central Services Division, Financial Services program. The Subcommittee's recommended budget for this structure is \$18,000,000 Other Funds Nonlimited.

Capital Improvements

The Capital Improvements Program funds ODOT building repair and remodel projects falling below the capital construction threshold of \$1,000,000. The Subcommittee's recommended budget for Capital Improvements is \$18,099,880 Other Funds expenditure limitation.

Maintenance

The Maintenance program provides for a safe and useable state highway system promoting efficient vehicle, passenger and freight movement through routine maintenance, preservation, restoration, and repair of existing highways. Highway maintenance activities fall into two categories: reactive (fix it if it breaks) and proactive (spend now to save later). Reactive activities include responding to weather events to keep the roads passable, responding to crashes, cleaning ditches, repairing guardrails, filling potholes and replacing signals. Proactive activities

include inspection, upkeep, preservation, or restoration activities to prevent problems or damage to highways and associated infrastructure to reduce life cycle costs. Maintenance is funded from the State Highway Fund, (Article IX, section 3a of the Oregon Constitution and ORS 366.505) and from FHWA funding as approved within the federal Transportation Act (currently FAST Act), which requires matching funds from state or local jurisdictions. The Subcommittee's recommended budget for Maintenance includes \$14,400,000 General Fund, \$744,121,732 Other Funds expenditure limitation and 1,375 positions (1,313.72 FTE). The Subcommittee recommended the following package:

Package 801, LFO Analyst Adjustment. This package addresses 2020 Wildfire costs and includes a combined total of \$46 million General Fund and Other Funds expenditure limitation for expenditures related to hazardous tree and ash/debris removal necessary due to the Labor Day Weekend 2020 wildfires. Of this total, \$14.4 million General Fund is associated with the 25% state matching funds required by the Federal Emergency Management Agency (FEMA) for ash and debris removal, and for clean-up activities not deemed to be a reimbursable expense by FEMA. These are activities for which Highway Funds cannot be used. Of the \$46 million, the remaining \$31.6 million is Other Funds, where State Highway Funds will be utilized and are anticipated to be reimbursed by FEMA. Lastly, within this package is \$137.97 million Other Funds attributable to expected reimbursement from FEMA, which once received will be applied toward projects that are planned to be funded with State Highway Fund dollars.

Preservation

The Preservation program maintains a statewide Pavement Management System that monitors and forecasts pavement conditions on state highways. Part of the Highway program, Preservation projects add useful life to a road without increasing its capacity, primarily through pavement resurfacing.

Preservation is funded from the State Highway Fund, (Article IX, section 3a of the Oregon Constitution and ORS 366.505) and from Federal Highway Administration (FHWA) funding as approved within the federal Transportation Act, which requires matching funds from state or local jurisdictions. The Subcommittee's recommended budget for Preservation is \$446,173,142 Other Funds expenditure limitation and 133 positions (133.00 FTE).

Bridge

The Bridge program is responsible for the inspection, preservation, design standards, load capacity evaluation, and asset management of more than 2,700 highway bridges, overcrossings, railroad under-crossings, tunnels and other structural elements. This work directly benefits the state's economy by extending the life expectancy of bridges, reducing the number of bridges with weight restrictions, and limiting detours around structurally deficient bridges. Candidate projects to rebuild or extend the service life of an existing bridge (including replacement) are identified using the Bridge Management System (BMS) and stakeholder input. Data from the BMS is used to develop programs for the Statewide Transportation Improvement Program and the Major Bridge Maintenance program using an iterative process of problem identification, alternative solution development, cost estimates, vetting with stakeholders and use of a project ranking system.

The Bridge Maintenance program is funded from the State Highway Fund, (Article IX, section 3a of the Oregon Constitution and ORS 366.505) and from FHWA, as approved within the federal Transportation Act, which requires matching funds from state or local jurisdictions. The Subcommittee's recommended budget for the Bridge program is \$494,371,408 Other Funds expenditure limitation and 184 positions (184.00 FTE).

Highway Operations

The Highway Operations program is comprised of two separate programs – Highway Safety and Highway Operations. The primary purpose of ODOT's Highway Safety program is to reduce the number of fatal and serious injury crashes on the state highway system. The Highway Safety Improvement program provides for infrastructure improvements at high crash locations using low cost and cost effective countermeasures on target highway segments or intersections with a history of crashes. The primary purpose of ODOT's Highway Operations program is to improve the safety and efficiency of the transportation system through operational improvements and enhanced system management. The key components of the Operations program include traffic signals, signs, roadway lighting, Intelligent Transportation Systems and landslide and rock fall mitigation.

Highway Safety and Operations is funded from the State Highway Fund, (Article IX, section 3a of the Oregon Constitution and ORS 366.505) and from FHWA funding as approved within the federal Transportation Act, which requires matching funds from state or local jurisdictions. The Subcommittee's recommended budget for Safety and Operations is \$435,669,414 Other Funds expenditure limitation and 194 positions (192.79 FTE).

Modernization

Modernization projects add capacity to the highway system by adding lanes, widening bridges, rebuilding roads with major alignment improvements or major widening, building new road alignments, or new facilities, such as by-passes. These projects improve safety, relieve congestion and allow more efficient movement of people and goods across the state. The Modernization program also administers the Immediate Opportunity Fund program in partnership with the Oregon Business Development Department.

The Modernization program is funded from the State Highway Fund, (Article IX, section 3a of the Oregon Constitution and ORS 366.505) and from FHWA funding as approved within the federal Transportation Act, which requires matching funds from state or local jurisdictions. The Subcommittee's recommended budget for the Modernization program is \$141,646,624 Other Funds expenditure limitation and 199 positions (199.00 FTE).

Special Programs

Highway Special Programs provides indirect, technical and program support for the Highway Division construction program. This Division supports several construction projects that do not fit the other Highway general construction categories because they fall under special rules

or program areas. Special Programs also delivers construction projects and services in the Pedestrian and Bicycle, Salmon and Watersheds, Forest Highway, Winter Recreation Parking and Snowmobile Facilities programs.

Special Programs is funded from the State Highway Fund, (Article IX, section 3a of the Oregon Constitution and ORS 366.505) and from FHWA funding, as approved within the federal Transportation Act, which requires matching funds from state or local jurisdictions. Revenue is also derived from registration fees and fuel taxes attributed to snowmobile use. The Subcommittee's recommended budget for Special Programs is \$537,365,821 Other Funds expenditure limitation and 594 positions (582.93 FTE).

Local Government

This program provides project delivery oversight and program administration for the development and delivery of transportation improvement projects within local jurisdictions in Oregon. The Local Government program provides support for various local and discretionary transportation programs funded by the state or federal government. The program accounts for approximately 25 percent of the Statewide Transportation Improvement Program funding and up to 30 percent of the projects delivered among ODOT regions and program years. ODOT administers these programs and helps local governments fund transportation projects. The Local Government program is a cost-based reimbursement program between FHWA and ODOT. ODOT's Federal-aid Program uses Federal Funds to reimburse local agencies, such as cities and counties, ports, special districts, tribes and other federal agencies eligible for federal transportation funding. FHWA provides funds to ODOT through the Federal-aid Highway Program and ODOT reimburses these funds to eligible local agencies.

The Local Government Division is funded from the State Highway Fund, (Article IX, section 3a of the Oregon Constitution and ORS 366.505) and from FHWA funding as approved within the federal Transportation Act, which requires matching funds from state or local jurisdictions. The Subcommittee's recommended budget is \$303,079,658 Other Funds expenditure limitation and 54 positions (54.00 FTE).

Driver and Motor Vehicle Services

Driver and Motor Vehicles Services (DMV) promotes driver safety, protects financial and ownership interests in vehicles and collects revenues for Oregon's highway system. DMV services also regulate and inspect about 3,500 vehicle and driver related businesses in Oregon. DMV provides driver licensing, vehicle titling and registration, and driver/vehicle records on-line and at 60 service locations throughout the state.

The DMV is funded almost entirely with Other Funds revenue derived from fees collected from driver licensing, vehicle title/registration, and records. DMV collects revenues for the State Highway Fund and uses a portion of its revenues for administrative costs, authorized in Article IX (Section 3a) of the Oregon Constitution. Fees collected from business licenses and ID cards are deposited in the ODOT Transportation Operating Fund (TOF) to support business regulation activities and senior and disabled transportation. General TOF dollars are used to fund other activities that cannot be funded from the State Highway Fund, such as voter registration, the organ donor program and expedited title issuance. DMV also receives Federal Funds from the Federal Motor Carrier Safety Administration (FMCSA) and the U.S. Department of Justice.

The Subcommittee's recommended budget for DMV is \$256,458,783 Other Funds expenditure limitation, \$2,204,752 Federal Funds expenditure limitation, and 963 positions (884.75 FTE). The Subcommittee recommended the following package:

Package 801, LFO Analyst Adjustment. This package extends 84 limited duration positions (25.25 FTE) approved during the 2019-21 biennium, to meet continuing customer service demands for Real ID and driver licenses. The demands have continued due to recent legislation and due to limited operations during the COVID-19 pandemic, which have led to a backlog in DMV services. The \$3,988,730 million in Other Funds expenditure limitation to support these positions will be funded through the agency's Real ID surcharge and driver license fee revenue.

Commerce and Compliance

The Commerce and Compliance Division regulates the commercial transportation industry on Oregon public roads. That industry ranges from one-truck owner-operators to carriers with large fleets from throughout the United States and Canada, including approximately 27,000 trucking companies with 495,000 trucks registered to operate in Oregon. Additionally, the Division helps truckers comply with Oregon laws and regulations relating to economic regulation, registration, safety, freight mobility, and truck size and weight. The CCD is funded primarily through the State Highway Fund, but also receives Federal Funds supporting truck safety-related efforts. The Subcommittee's recommended budget for CCD is \$77,673,013 Other Funds expenditure limitation, \$8,000,000 Federal Funds expenditure limitation, and 293 positions (292.48 FTE).

Policy, Data, and Analysis Division

The Policy, Data, and Analysis Division (PDAD) plans and coordinates the future use of transportation resources among state, federal, and local agencies to design and operate an efficient transportation system. PDAD conducts research, data collection and planning responsibilities to support decision making at the state and local levels. PDAD also provides grant opportunities for the building of infrastructure in support of a multimodal transportation system (ConnectOregon). PDAD is funded through Other Funds and Federal Funds. The Other Funds revenue is from the State Highway Fund and Lottery Bond proceeds (expended as Other Funds) for ConnectOregon. The Federal Funds sources come from the FHWA and the National Highway Traffic Safety Administration (NHTSA). The Subcommittee's recommended budget for PDAD is \$194,455,898 Other Funds expenditure limitation, \$201,769 Federal Funds expenditure limitation, and 232 positions (225.06 FTE).

Public Transit

The Public Transit Division provides grants, policy leadership, training, and technical assistance to communities and local transportation providers. The Division also assists in the development and use of transit, ridesharing, and other alternatives to driving alone as ways to reduce congestion, diminish environmental impacts and make more efficient use of Oregon's transportation system. Transit program funds are primarily distributed to local service providers in three ways: (1) through a formula based primarily on service-area population, (2) through a formula based on the number of rides given and miles traveled, and (3) through a biennial discretionary grant solicitation that combines the multiple sources of federal and state funding. The programs and activities supported by this Division are: General Public Transit; Intercity Passenger Program; Public Transit Planning and Research; Enhanced Mobility/Special Transportation Fund; and Transportation Options.

Public Transit is funded with Other Funds and Federal Funds revenues. Most of Public Transit's funding is from Federal Funds grants from the Federal Transit Administration and the Federal Highway Administration. These sources are specifically for the intended transit programs. The Other Funds revenues are derived from transfers from the ODOT Transportation Operating Fund, cigarette tax, Oregon I.D. card revenue and interest income.

For Public Transit, HB 2017 (2017) established a one tenth of one percent payroll tax, starting July 1, 2018. The payroll tax deposits revenue into a newly created Statewide Transportation Improvement Fund to be used primarily for formula allocations and competitive grants to local public transit agencies. This marked a significant change for Oregon by providing a dedicated source of funding to expand general public transportation to access jobs, improve mobility, relieve congestion, and reduce greenhouse gas emissions.

The Subcommittee's recommended budget is \$335,995,005 total funds, which includes \$258,808,502 Other Funds expenditure limitation, \$300,000 Lottery Funds, \$76,886,503 Federal Funds expenditure limitation, and 28 positions (27.25 FTE). The Subcommittee recommended the following package:

Package 801, LFO Analyst Adjustment. This package includes \$300,000 in Lottery Funds expenditure limitation to enable 2019-21 committed funds associated with the Oregon Department of Veterans' Affairs Rural Veteran Healthcare Transportation Grant program to be spent in the 2021-23 biennium. Due to pandemic-related capacity issues and delays to elective procedures, as well as social distancing and quarantine policies which disproportionately impacted seniors, not all 2019-21 funding is likely to be spent in the 2019-21 biennium. The Rural Veteran Healthcare Transportation Grant program is funded by a \$500,000 Veterans' Services Fund allocation in the 2019-21 biennium, and funding was transferred to ODOT via an interagency agreement for administration of the grant funds to local transit operators providing this service. The arrangement saves administrative expenses since ODOT has relationships and grant experience with many of the service providers. This package provides \$300,000 in Lottery Funds expenditure limitation to ODOT's 2021-23 budget to allow committed funds to be fully spent.

Rail

The Rail program ensures compliance with state and federal regulations related to railroad track, locomotives, rail cars, hazardous material transport, employee safety, operating practices, and rail transit safety. The Rail program consists of the State Safety Oversight Program, the Crossing Safety Program, and the Operations Section.

The Rail program is funded by multiple sources, including an assessment on all railroads based on their annual gross operating revenues generated in Oregon, Custom License Plate revenue, the Transportation Operating Fund, and Federal Funds.

The Subcommittee's recommended budget for Rail is \$51,398,601 Other Funds expenditure limitation, \$17,122,916 Federal Funds expenditure limitation, and 33 positions (33.00 FTE).

Transportation Safety

The Transportation Safety Division organizes, plans, and conducts a statewide transportation safety program by coordinating activities and programs with other state agencies, local agencies, non-profit groups and the private sector. It serves as a clearinghouse for transportation safety materials and information and cooperates and encourages research and special studies to support legislative initiatives and new programs. The primary sources of funding for the Transportation Safety Program Other Funds resources are derived through fees charged by ODOT DMV. Additional sources of Other Funds are transfers from the Highway Division, the ODOT Transportation Operating Fund, and interest income. The larger source of funding for the program comes from a variety of Federal Funds grants from FHWA and NHTSA. The Subcommittee's recommended budget for the Transportation Safety Division includes \$17,949,645 Other Funds expenditure limitation, \$21,270,051 Federal Funds expenditure limitation, and 27 positions (27.00 FTE).

Debt Service

The Debt Service program consists of principal and interest payments related to debt and loan activities. General Fund Debt Service is associated with the State Radio Project. Other Funds Debt Service consists of payments on: Revenue Bonds sold for Oregon Transportation Investment Act (OTIA) I, II, and III, and the Jobs and Transportation Act (JTA); Certificates of Participation issued for the DMV Building Refunding and the State Radio Project; and Article XI-Q General Obligation Bonds sold for the State Radio Project and the Transportation Building. Lottery Bond Debt Service consists of payments on Lottery Bonds sold for the following projects: Short Line Infrastructure Assistance; Industrial Rail Spur Infrastructure; South Metro Commuter Rail; Southeast Metro Milwaukie Extension; ConnectOregon I, II, III, IV and V; Oregon Street Car; and Salem-Keizer Transit. The Subcommittee's recommended budget for the Debt Service program includes \$18,371,940 General Fund, \$125,155,188 Lottery Funds, \$400,357,130 Other Funds expenditure limitation, and \$20,679,380 Federal Funds Nonlimited. The Subcommittee recommended the following packages:

Package 087, August 2020 Special Session. This package decreases Lottery Funds Debt Service by \$864,612 to reflect the August 2020 special session decision to eliminate the sale of bonds associated with Coos Bay rail repairs. The package eliminates debt service associated with the project.

Package 801, LFO Analyst Adjustments. This package corrects a debt service payment from Federal Funds, which was mistakenly removed during the budget development process.

Support Service

Support Services provides central back-office activities including audit services, business services, facilities, human resources, information systems, and the procurement office, to the entire agency. The primary source of revenue is Other Funds derived through prorated internal agency assessments. The Subcommittee's recommended budget for Support Services is \$179,751,268 Other Funds expenditure limitation and 366 positions (362.96 FTE). The Subcommittee recommended the following package:

Package 099, Microsoft 365 Consolidation. Microsoft 365 Consolidation: Microsoft 365 is being consolidated within the Office of the State Information Officer at the E5 level of service. This cost is built into the State Government Service Charge for every agency as a cost increase for the 2021-23 biennium. This package makes a corresponding reduction to the agency base budget in an amount equivalent to what agencies should be paying in the current 2019-21 biennium for Microsoft 365 at the E3 level of service.

ODOT Headquarters

This Division includes the Director's Office, Government Relations, Communications, Business Management, Agency Performance and Strategy, Audit Services, the Office of Civil Rights, and the Office of Innovation. The Innovative Partnership Program, which works with the private sector and units of government to deliver new, innovative projects that best serve the public interest, is part of the Office of Innovation. Recent projects include the Electric Vehicle Charging Network and the Oregon Solar Highway project. The primary source of revenue is Other Funds derived through prorated internal agency assessments. The Subcommittee's recommended budget for the ODOT Headquarters division is \$61,914,340 Other Funds expenditure limitation and 88 positions (87.50 FTE).

Finance and Budget

The Finance and Budget program includes financial, budget and economic-financial analysis services for the entire agency. Financial services include, but are not limited to, accounting, payroll support, contractor payments, travel claims processing, financial training, coordination and reporting, debt management, collection services, cost allocation, and billing. Budget Services produces the agency budget and also includes the delivery and operations budget, position fiscal management, fiscal impact statements for the legislature, business analysis coordination, cash management, maintenance management system, and claims against others. The primary source of revenue is Other Funds derived through prorated internal agency assessments. The Subcommittee's recommended budget for the Finance and Budget division includes \$52,429,763 Other Funds expenditure limitation, \$317,204 Federal Funds, and 80 positions (80.00 FTE).

Summary of Performance Measure Action

See attached Legislatively Adopted 2021-23 Key Performance Measures form.

| DESCRIPTION | GENERAL | | LOTTERY | | | | ALL | | POS | FTE |
|---|----------------------|-----------------------|-------------------------|----------------------|-----------------------|----------------------|-------------------------|--------------|-----------------|-----|
| | FUND | FUNDS | LIMITED | NONLIMITED | LIMITED | NONLIMITED | FUNDS | | | |
| 2019-21 Legislatively Approved Budget at Jan. 2021* | \$ 118,926,339 | \$ 115,171,361 | \$ 4,774,999,668 | \$ 1,342,190,948 | \$ 310,512,126 | \$ 21,243,619 | \$ 6,683,044,061 | 4,867 | 4,710.09 | |
| 2021-23 Current Service Level (CSL)* | \$ 18,371,940 | \$ 126,019,800 | \$ 4,501,609,074 | \$ 18,000,000 | \$ 126,003,195 | \$ - | \$ 4,790,004,009 | 4,759 | 4,654.19 | |
| SUBCOMMITTEE ADJUSTMENTS (from CSL) | | | | | | | | | | |
| SCR 100-20 - Maintenance | | | | | | | | | | |
| Package 801: LFO Analyst Adjustment | | | | | | | | | | |
| Services and Supplies | \$ 14,400,000 | \$ - | \$ 169,560,000 | \$ - | \$ - | \$ - | \$ 183,960,000 | | | |
| SCR 200-00 - DMV | | | | | | | | | | |
| Package 801: LFO Analyst Adjustment | | | | | | | | | | |
| Personal Services | \$ - | \$ - | \$ 3,621,744 | \$ - | \$ - | \$ - | \$ 3,621,744 | 84 | 25.25 | |
| Services and Supplies | \$ - | \$ - | \$ 366,986 | \$ - | \$ - | \$ - | \$ 366,986 | | | |
| SCR 400-11 - Public Transit | | | | | | | | | | |
| Package 801: LFO Analyst Adjustment | | | | | | | | | | |
| Special Payments | \$ - | \$ 300,000 | \$ - | \$ - | \$ - | \$ - | \$ 300,000 | | | |
| SCR 500-00 - Debt Service | | | | | | | | | | |
| Package 087: August 2020 Special Session | | | | | | | | | | |
| Debt Service | \$ - | \$ (864,612) | \$ - | \$ - | \$ - | \$ - | \$ (864,612) | | | |
| Package 801: LFO Analyst Adjustment | | | | | | | | | | |
| Debt Service | \$ - | \$ - | \$ - | \$ - | \$ - | \$ 20,679,380 | \$ 20,679,380 | | | |
| SCR 700-00 - Support Service | | | | | | | | | | |
| Package 099: Microsoft 365 Consolidation | | | | | | | | | | |
| Services and Supplies | \$ - | \$ - | \$ (3,433,182) | \$ - | \$ - | \$ - | \$ (3,433,182) | | | |
| TOTAL ADJUSTMENTS | \$ 14,400,000 | \$ (564,612) | \$ 170,115,548 | \$ - | \$ - | \$ 20,679,380 | \$ 204,630,316 | 84 | 25.25 | |
| SUBCOMMITTEE RECOMMENDATION * | \$ 32,771,940 | \$ 125,455,188 | \$ 4,671,724,622 | \$ 18,000,000 | \$ 126,003,195 | \$ 20,679,380 | \$ 4,994,634,325 | 4,843 | 4,679.44 | |
| % Change from 2019-21 Leg Approved Budget | -72.4% | 8.9% | -2.2% | -98.7% | -59.4% | -2.7% | -25.3% | -0.5% | -0.7% | |
| % Change from 2021-23 Current Service Level | 78.4% | -0.4% | 3.8% | 0.0% | 100.0% | 100.0% | 4.3% | 1.8% | 0.5% | |

*Excludes Capital Construction Expenditures

Legislatively Approved 2021 - 2023 Key Performance Measures

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Agency: Transportation, Department of

Mission Statement:

Our Mission: We provide a safe and reliable multimodal transportation system that connects people and helps Oregon's communities and economy thrive.

Our Values: These principles inform decision making and guide our behavior in working with each other, our partners and the communities we serve: Integrity: We are accountable and transparent with public funds and hold ourselves to the highest ethical standards. Safety: We share ownership and responsibility for ensuring safety in all that we do. Equity: We embrace diversity and foster a culture of inclusion. Excellence: We use our skills and expertise to continuously strive to be more efficient, effective and innovation. Unity: We work together as One ODOT to provide better solutions and ensure alignment in our work.

| Legislatively Approved KPMs | Metrics | Agency Request | Last Reported Result | Target 2022 | Target 2023 |
|--|-----------------------------|----------------|----------------------|-------------|-------------|
| 1. Traffic Fatalities and Serious Injuries Rate - Traffic Fatalities and Serious Injuries per 100 million vehicles miles traveled (VMT). | | Approved | | 6.28 | 6.28 |
| 2. Pavement Condition - Percent of pavement lane miles rated "fair" or better out of total lane miles in state highway system. | | Approved | 89% | 85% | 85% |
| 3. Bridge Condition - Percent of state highway bridges that are not "distressed" | | Approved | 78% | 78% | 78% |
| 4. Public Transit Vehicle Condition - Percent of Public Transit buses that meet replacement standards | | Approved | 34.10% | 40% | 40% |
| 5. Traffic Congestion - Number of Congested Lane Miles - Ratio of annual average daily traffic to hourly highway capacity | | Approved | 520 | 570 | 580 |
| 6. Passenger Rail Ridership - Number of state-supported rail service passengers. | | Approved | 56,058 | 201,852 | |
| 7. Transit Rides - Average number of transit rides each year per Oregonian | | Approved | 29.90 | 32 | 32 |
| 8. Bike Lanes and Sidewalks - Percent of urban state highway miles with bike lanes and pedestrian facilities in "fair" or better condition. | | Approved | 44% | 52% | 52% |
| 9. Construction Projects On-time - The percentage of state administered projects that have satisfactorily completed all on-site work within 90 days of the baselined contract completion date | | Approved | 83% | 80% | 80% |
| 10. Construction Projects On Budget - The percentage of projects for which total construction expenditures do not exceed the original construction authorization by more than 10% | | Approved | 96% | 80% | 80% |
| 11. Disadvantaged Business Enterprise Utilization - Percent of ODOT Awarded Contracts to Oregon Disadvantaged Business Enterprises (DBEs) | | Approved | | 25% | 25% |
| 12. DMV Field Office Wait Time - Percentage of DMV Field Office Customers Served within 20 Minutes | | Approved | 88.60% | 60% | 60% |
| 13. Customer Satisfaction - Percent of customers rating their satisfaction with the agency's customer service as "good" or "excellent": overall customer service, timeliness, accuracy, helpfulness, expertise, and availability of information. | Accuracy | Approved | 85.40% | 90% | 90% |
| | Timeliness | | 85.40% | 90% | 90% |
| | Availability of Information | | 85.40% | 90% | 90% |
| | Helpfulness | | 85.40% | 90% | 90% |
| | Expertise | | 85.40% | 90% | 90% |
| | Overall | | 85.40% | 90% | 90% |

| Legislatively Approved KPMs | Metrics | Agency Request | Last Reported Result | Target 2022 | Target 2023 |
|--|---------|-----------------------|----------------------|-------------|-------------|
| 1. Traffic Fatalities - Traffic fatalities per 100 million vehicles miles traveled (VMT). | | Legislatively Deleted | 1.37 | 0.78 | |
| 2. Serious Traffic Injuries (Rate) - Serious traffic injuries per 100 million vehicle miles traveled (VMT) | | Legislatively Deleted | 5.40 | 3.78 | |
| 3. Large Truck At-Fault Crashes - Number of large truck at-fault crashes per million vehicle miles traveled (VMT). | | Legislatively Deleted | 0.39 | 0.41 | |
| 4. Rail Crossing Incidents - Number of highway-railroad at-grade incidents. | | Legislatively Deleted | 21 | 10 | |
| 5. Derailment Incidents - Number of train derailments caused by human error, track, or equipment. | | Legislatively Deleted | 19 | 25 | |
| 15. Certified Firms (DMWESB*) - Percent of ODOT Awarded Contracts to Oregon Certified Small Businesses. | | Legislatively Deleted | 9.72% | 15% | |

LFO Recommendation:

The Legislative Fiscal Office recommends approval of Key Performance Measures as proposed above.

The Oregon Department of Transportation proposes combining its existing safety KPMs (#1 "Traffic Fatalities"; KPM #2 "Serious Traffic Injuries (Rate)"; KPM #3 "Large Truck At-Fault Crashes"; KPM #4 "Rail Crossing Incidents"; and KPM #5 "Derailment Incidents") into a single new KPM #1: "Traffic Fatalities and Serious Injuries Rate". The new measure would be measured based on per 100 million vehicle miles traveled. The proposed target is 6.28 for 2022 and 2023. ODOT retains the ability to analyze accident data in its various divisions including rail, transit, commerce and compliance, and highway safety, and can provide more detailed reporting on request. The Legislative Fiscal Office recommends approval of this change.

The Department also proposes to replace existing KPM #15 "Certified Firms DMWESB" which measures the percentage of contracts awarded to certified minority and women owned small businesses -- the target was 21.62% -- with a measurement of how many disadvantaged business firms are being utilized or are under contract with ODOT each year, with a target of 25% of all contracts annually. This change conforms language to federal definitions, and will apply to federal contracts as well state contracts, resulting in broader applicability. The following graph illustrates the additional impact the new KPM (DBE Utilization) would have had for the 2020 reporting year, compared to the existing KPM (Certified Firms):

| 2020 | Total Contract Dollars | Dollars to Specified Firms | % Dollars to Specified Firms | Total Projects | Total Contracts (Prime & Sub) | Contracts to Specified Firms | % Contracts to Specified Firms |
|-----------------|------------------------|----------------------------|------------------------------|----------------|-------------------------------|------------------------------|--------------------------------|
| Certified Firms | \$143,699,447 | \$9,639,663 | 6.7% | 127 | 152 | 24 | 15.8% |
| DBE Utilization | \$470,185,912 | \$83,901,938 | 17.8% | 820 | 2,597 | 639 | 24.6% |

The Legislative Fiscal Office recommends approval of this change.

SubCommittee Action:

The Subcommittee approved performance measures as presented.