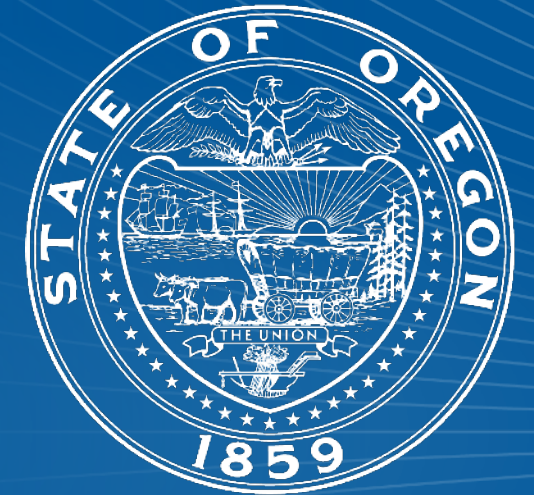


# 2025-27 GOVERNOR'S RECOMMENDED BUDGET Department of Transportation



Angela Parada

Department of Administrative Services

Chief Financial Office

March 3, 2025

# Department of Transportation

2025-27 Governor's Budget Overview



- **Continuing Issues**

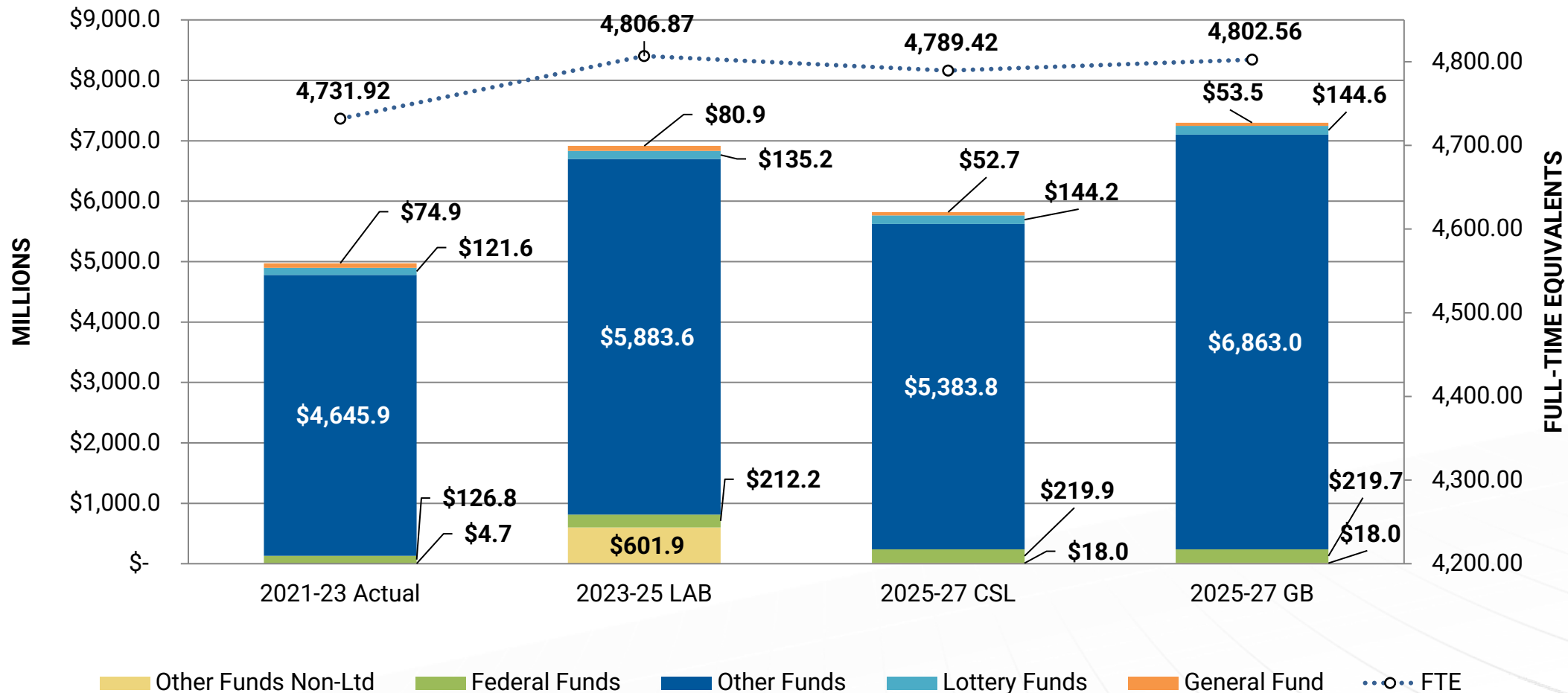
- **Maintenance Challenges**
  - Deferred maintenance
  - Campsite Clean-Up
- **Aging Infrastructure**

- **Revenue Challenges**

- Declining Revenue Sources – State Highway Fund
- Highway Cost Allocation Study Methodology
- Federal Funding Uncertainty

# Department of Transportation

## Expenditure History + 2025-27 Governor's Budget

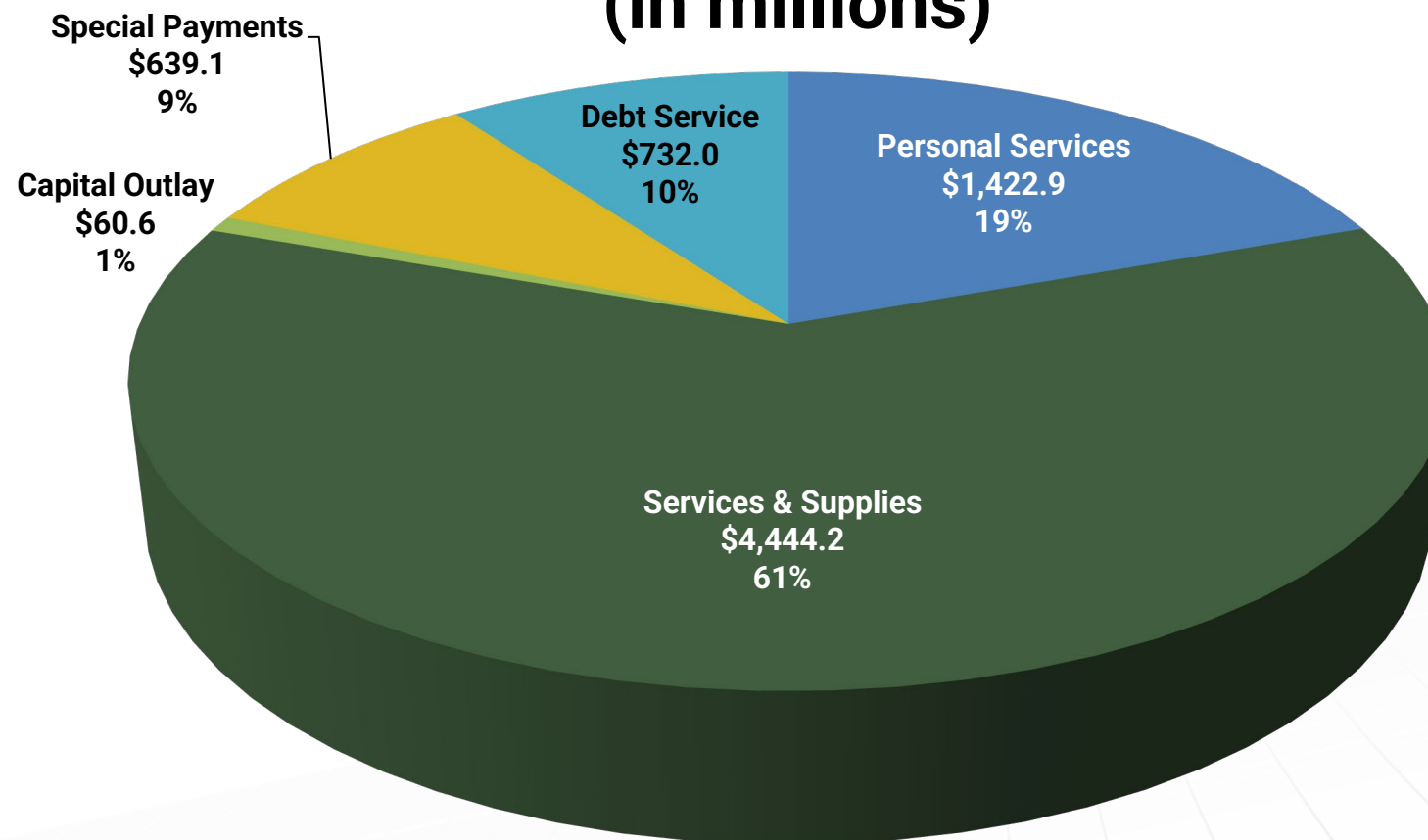


# Department of Transportation

## 2025-27 Governor's Budget



### Agency Budget by Expenditure Category (in millions)

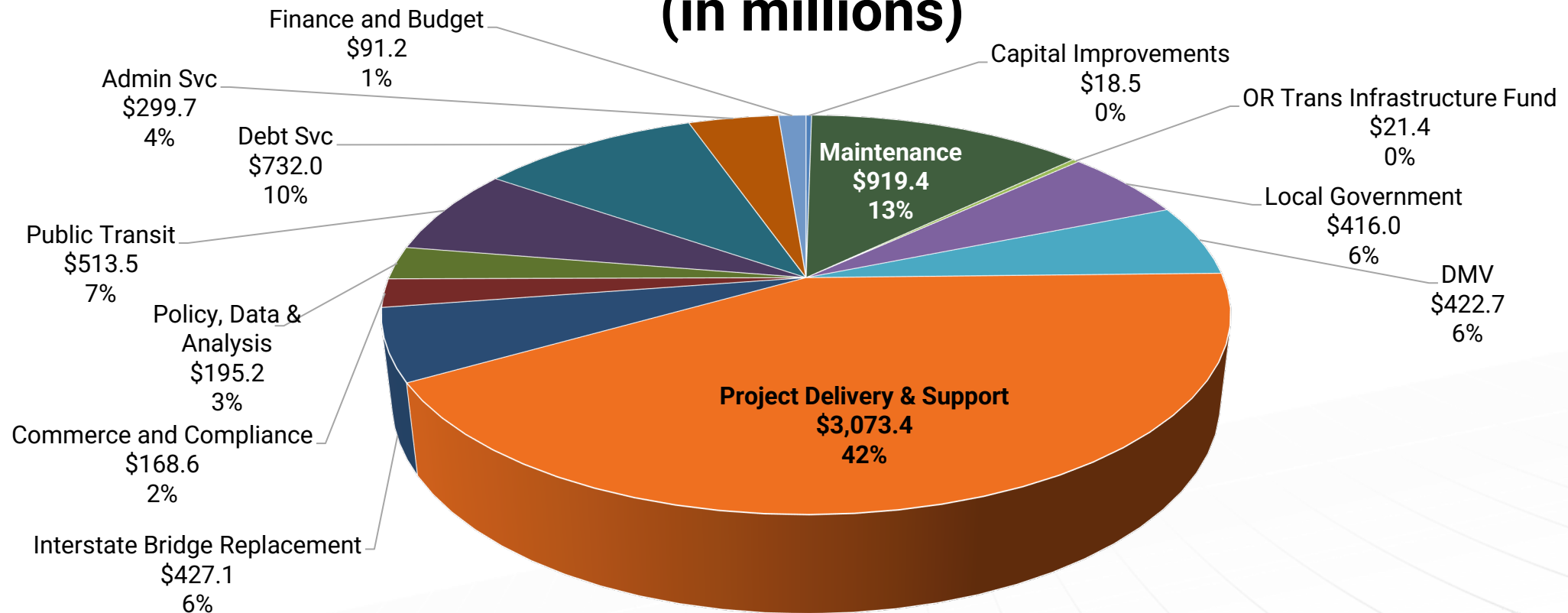


# Department of Transportation

## 2025-27 Governor's Budget



### Governor's Budget by Agency Program (in millions)



# Department of Transportation

## Summary of Recommended Investment



### Restoration Investments

	Restoration Need	Positions Spared	Impact of Restoration
<b>Maintenance</b>	\$186m	414	ODOT will avoid cutting 30% of maintenance staff who do critical day to day work of keeping roads safe and open to traffic—plowing snow, patching potholes, picking up dead deer, and other activities.
<b>Project Delivery</b>	\$148m*	388	ODOT will be able to retain its staff that help design and deliver state and local projects, avoiding significant delay and cost increases in delivering projects and maintaining agency capacity.
<b>DMV</b>	\$7m	14	ODOT will be able to shift the positions to field offices to better serve customers by reducing wait times and unplanned office closures.
<b>Shared Services</b>	\$73m	172	ODOT will avoid cutting 30% of employees who provide services like IT, HR, procurement, and finance that are the foundation of the agency's operations. Without restoration, computer systems will not be effectively maintained and processes from contracting to paying bills to distributing funds to local governments will be hampered.
<b>Facilities</b>	\$5m	0	ODOT will avoid cuts to Capital Improvement projects, allowing the agency to fund multiple maintenance facilities to store equipment and critical supplies like salt as well as improve radio coverage for the State Radio Program used by OSP and ODOT.
<b>Total</b>	<b>\$418m*</b>	<b>988</b>	

\*Due to budget technicalities, project delivery's restoration includes federal funds that will automatically be restored with about \$84 million in additional state funds. Total State Highway Fund resources needed to achieve restoration is \$353 million.

### Additional Investments

	Recommended	Impact of Investment
<b>Safety Investments</b>	\$910m	<ul style="list-style-type: none"> <li>\$80m in safety-focused investments</li> <li>\$677m to fix key assets like bridges, pavement, culverts, and signals</li> <li>\$119m for maintenance forces including incident responders and supports to promote efficiency.</li> <li>\$34m for truck roadside safety and enforcement infrastructure.</li> </ul>
<b>Customer Service</b>	\$108m	<ul style="list-style-type: none"> <li>\$74m for DMV improvements to customer service including adding office staff and improving the website</li> <li>\$20m for camp, litter, and graffiti cleanup</li> <li>\$8m for rest areas to allow the Oregon Travel Information Council to maintain current service levels</li> <li>\$6m for system upgrades for the Commerce and Compliance to better serve the trucking industry.</li> </ul>
<b>Other Critical Investments</b>	\$314m	<ul style="list-style-type: none"> <li>\$27m for new and upgraded IT systems to better serve customers</li> <li>\$172m for facilities to address deferred maintenance and replace priority buildings.</li> <li>\$113m to replenish ODOT's State Highway Fund ending balance</li> </ul>
<b>Total</b>	<b>\$1,332m</b>	

# Thank you

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