LOCAL 503

To: Joint Committee on Transportation Reinvestment From: Courtney Graham, SEIU 503 Political Director Date: June 10, 2025 Re: Anchor Projects and ODOT Accountability

Co-Chair Gorsek, Co-Chair McLain, and members of the committee,

Our union represents over 65,000 workers in every corner of our state who use our multi-modal transportation system. The folks we represent are care providers, state workers, workers in higher education, private nonprofits, and more. This includes over 1,600 rank-and-file ODOT workers. Our priority throughout this conversation has not changed: We want to protect valuable frontline jobs at ODOT that serve our communities throughout the state. Absent a solution this session, more than 1,000 positions at ODOT will be eliminated, including hundreds of our members' jobs.

SEIU supports the major provisions of House Bill 2025 and we appreciate the opportunity to engage in the conversation about ODOT accountability, given our unique perspective. Significant delays in delivering major capital projects have eroded public trust and are impacting our ability to finish projects while external factors have also emerged over the past eight years – a global pandemic, rapid inflation, changes to federal support and investment, and now a global trade war that will drive up the cost of critical infrastructure projects that promote safety and create jobs.

We support many of the recommendations from the Management Review conducted this session and support the additional changes to ODOT governance proposed in House Bill 2025. These reforms will help address concerns about major project delivery and increase legislative oversight in ways that will help ODOT better deliver on those projects and restore public trust.

Fundamentally, these reforms will also reestablish the Legislature's important role in the larger conversation around transportation and accountability. While there is plenty for ODOT to improve upon, we feel that what has been lost in this conversation is the role the Legislature has played, too. Previous Legislatures have not funded basic maintenance and operations at the agency, instead choosing to fund major projects. Previous Legislatures have directed ODOT to undertake multiple, major capital projects, without sufficient funding to do so. This is not a commentary on any legislator in particular, but it is a reminder that the Legislature ultimately makes decisions that impact the ability of State agencies to be successful and deliver on their core mission.

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As this process continues, we expect additional ideas to be brought forward about how ODOT can better function to serve Oregonians. We look forward to being an active part of that conversation, but I do want to put a few markers down on behalf of our members that I believe have been largely missing from the conversation this Legislative session. First, this process has reminded me that these workers know their work better than any of us. I encourage you to talk to them, to learn about what they do, and what they think accountability should look like. Because when you do, you'll learn what some legislators did at a recent site tour: accountability isn't just cutting budgets or holding oversight hearings. It's a couple of guys in a machine shop who have figured out how to make most of the replacement parts the vehicle fleet needs in-house, saving taxpayers thousands of dollars that could have gone to buying parts for a higher price and longer delays in repairs. That's accountability.

Second, contracting out is very rarely the answer – especially maintenance and operations work. And we have great examples to point to. The 2009 Jobs and Transportation Act (JTA) forced ODOT to undertake a six-year pilot project to contract out the maintenance of a 10- to 30-mile section of highway. The initial bid was \$1.2 million per year to maintain the 26-mile segment of OR 219. ODOT's average cost to maintain the same segment was approximately \$200,000 per year. So contracting out or more accurately privatizing the work of ODOT at that time was SIX TIMES more expensive than doing the work in house. The program failed Oregonians and the pilot project was terminated in less than a year. They learned what we know today: the dedicated folks at ODOT do it faster and cheaper while saving taxpayers money.

Finally, I encourage us to remember that "ODOT" isn't some amorphous entity – ODOT is people. It's thousands of your neighbors who are called to public service. We represent the frontline workers who serve your constituents at the DMV, who respond to incidents on the highway, and who maintain and preserve our roads and bridges. Many of these folks literally risk their lives to keep us all safe.

At the end of the day, we all want ODOT to have the tools and resources to do what they do best: emergency incident response, snowplowing, rapid response to wildfires, TripCheck maintenance, and much more. For our union, being accountable means less that ODOT is accountable to the Legislature or some committee, but that they are accountable to the public. That people can get to work on time, safely, and that our economy keeps moving. That is what Oregonians expect and that is what our members do every day.

Thank you for your time and consideration,

Courtney Graham Political Director SEIU Local 503, OPEU