Dear Chair Gorsek, Chair McClain, and Members of the Committee:

I'm thrilled to see the historic investment in rail provided by HB 2025, with a 0.5% Vehicle Privilege Tax (VPT) dedicated to rail. The demand for rail is here, with the Cascades reaching historic ridership two years in a row. Investing in rail will not only offer congestion relief along the I-5 corridor by moving people out of their cars onto trains, it will also allow more freight to move by rail. For comparison, a single rail line can move as many people as a 10 lane highway, and just one double stacked train can take 280 trucks off the road.

To make this historic investment even more potent, I would encourage this committee to submit an amendment to fund a study to explore creating a dedicated Oregon Department of Rail and Transit, which was proposed in SB 1202. There is strong precedent for "spinning off" departments from ODOT into their own agencies, including most recently the Department of Aviation. ODOT has enough on their plate. An Oregon Department of Rail and Transit could increase efficiency through streamlined management, allowing us to meet and exceed the goals outlined in the Oregon State Rail Plan.

Last week I was at a conference in Colorado, and I got to ride on their network of intercity Bus service that connects the state, affectionately known as "Bustang." The Association of Oregon Rail and Transit Advocates (AORTA) has drafted a similar intercity bus service proposal with at least once-daily service to every town above 8,000 people (see next page). This would be massive for the 30% of Oregonians who cannot or do not drive due to age, ability, or cost, connecting Oregonians to job opportunities, medical appointments, and even tourism. Increasing the current proposed STIF increase from 0.3% to 0.5% can expand intercity transit to parts of the state that have historically been disconnected.

In addition to intercity transit, Colorado is a leader in congestion pricing as an alternative to highway expansion, with <u>dynamically priced "Express Lanes" to ensure free-flowing traffic</u>. Implementing Express Lanes with dynamic pricing could free up VPT revenue currently being directed to "Anchor Projects." Using the <u>FHWA's Value Pricing Pilot program</u>, Express Lanes could be established on I-205, I-5, I-84, and Highway 26. While Express Lanes are not full congestion pricing, it is a good way to introduce Oregonians to the idea of fully-priced roadways. Revenue from Express Lanes would then allow the 0.5% VPT currently set aside for Anchor Projects to be moved toward investments in Great Streets, Community Paths, and Rail.

Thank you for continued support for rail and transit across our state. Please amend HB 2025 to study an Oregon Department of Rail and Transit, increase the proposed STIF tax to 0.5% to expand intercity transit, and free up VPT revenue for safer streets and increased rail investment by beginning to price our roadways with Express Lanes.

Sincerely, Richard Sheperd

