



June 26, 2025

Chairs Pham & McLain, Vice Chairs Starr & Boshart-Davis, and Members of the Committee:

On behalf of the City of Central Point, I write today to express strong support for advancing a comprehensive transportation funding package during the 2025 legislative session. HB 2025, with the -A28, provides a critical starting point to invest in Oregon's infrastructure needs and build a stronger future for every community across the state.

In cities like Central Point, the State Highway Fund is a lifeline for maintaining and improving our transportation system. State Highway Fund revenues are distributed with 50% going to the state, 30% to counties, and 20% to cities. These funds are dedicated to transportation purposes, including road maintenance, improvements, and safety projects, and form the financial backbone for local transportation networks. Currently, Central Point receives approximately \$1.6 million annually from the Highway Fund. **However, this amount has remained largely stagnant for several years, even as inflation, material costs, and workforce needs have continued to rise.** Without additional sustainable investment, communities like ours face growing challenges to keep roads safe, support economic growth, and meet future transportation demands.

HB 2025 proposes new avenues that would provide an additional funding for cities across Oregon. This additional funding would make a significant difference in our ability to address critical maintenance backlogs, improve safety infrastructure, and support growth.

We have seen firsthand how strategic infrastructure investments can unlock opportunity. In recent years, Jackson County's \$7.5 million investment in Table Rock Road improvements, supported by transportation funding, brought transformative benefits to our region. This project helped attract major economic drivers such as Costco, Amazon and FedEx to Central Point, creating jobs, expanding our tax base, and strengthening the overall economy.

In addition, historically, these funds have allowed Central Point to move forward on critical local projects, including but not limited to:

- **Repaving all of Front Street (Highway 99) from Beall to Scenic** – a key five-lane corridor through Central Point that now provides smoother travel, improved safety, and stronger commercial appeal, supporting both freight and local traffic.



- **Multiple paving projects on Penninger Road, Hamrick Road, and East Pine Street** – which have improved access to residential neighborhoods and commercial areas. Notably, East Pine Street, paved twice in the downtown area, enhanced both drivability and support for small businesses by contributing to revitalization efforts.

These projects demonstrate the real, tangible impacts transportation dollars have in building stronger, safer communities. They have improved quality of life for our residents, helped attract and retain businesses, and ensured our infrastructure keeps pace with growth.

While we remain supportive of a comprehensive transportation package, we were disappointed to see the removal of gas tax indexing in the -A28 amendment. Currently, 26 states utilize variable gas tax structures rather than fixed rates to create a more sustainable mechanism for addressing long-term infrastructure and transportation needs. We hope the Legislature will revisit this conversation in the future, but we respectfully acknowledge the extensive deliberations that have informed the -A28 amendment and remain supportive of the broader package.

Transportation investment is not just about roads and bridges—it supports Oregon’s workforce, grows our economy, and improves quality of life. From workers who build and maintain the infrastructure, to businesses that rely on efficient transportation for commerce, to families who depend on safe and reliable roads, these investments touch every part of our community. A strong, modern transportation system is essential for Oregon’s competitiveness and for ensuring that prosperity is shared across all regions of the state.

HB 2025 -A28 is long overdue and absolutely essential. We urge you to prioritize meaningful, sustainable investments in Oregon’s transportation system in 2025.

Thank you for your leadership and service to our communities.

Sincerely,

Chris Clayton

City Manager, City of Central Point