

February 11, 2026

Re: Support SB 1543

Dear Chair Gorsek, Vice-Chair Weber, and members of the Senate Committee on Transportation,

The 350PDX Transportation Team appreciates the opportunity to provide testimony regarding our support for SB 1543. As an advocacy organization dedicated to the long-term economic and structural health of Oregon's infrastructure, we support the fiscal "guardrails" proposed in this bill. Oregonians deserve a transportation system that is accountable and honest about its financial stability.

What We Support in SB 1543

- **Debt Service Caps:** The 400% surge in ODOT debt service since 2007 is a direct threat to the state's long-term financial stability. We support the 20% debt service cap as a vital measure to prevent the agency from over-leveraging future revenue and compromising our ability to fund essential services.
- **OTC Reform and Oversight:** The Oregon Transportation Commission (OTC) must provide more rigorous oversight of the agency's budget and be representative of the whole state. Strengthening the commission is necessary to ensure that multi-billion dollar investment decisions are scrutinized with the public's financial interest in mind.
- **Transparency on Opportunity Costs:** We strongly support the requirement that ODOT disclose the "opportunity costs" of its debt. Taxpayers have a right to know which maintenance and preservation projects are being sacrificed to service interest payments on new debt.

Recommendations

1. **Define Debt Broadly:** Ensure the 20% cap applies to all forms of bonded indebtedness and long-term financial commitments to prevent the use of alternative financing mechanisms that bypass legislative oversight.
2. **Mandate Maintenance Disclosure:** Require ODOT to produce a "Maintenance Deficit Report" alongside every major project proposal, explicitly detailing how much existing infrastructure repair is being deferred to accommodate the new project.
3. **Enhance Commission Independence:** Modify the OTC selection process to include mandatory seats for experts in public finance and asset management, ensuring the commission has the technical capacity to challenge agency budget projections.
4. **Fiscal Sustainability Audits:** Require the OTC to conduct an independent fiscal sustainability audit every four years to evaluate whether current debt levels are

impacting the state's ability to respond to infrastructure emergencies or natural disasters. Fiscal responsibility requires making disciplined choices today to ensure a stable and functional transportation system for the future. SB 1543 provides the structural discipline needed to rein in runaway debt and prioritize the preservation of our existing infrastructure. We urge the committee to support this bill.

Sincerely,

Max Hanley
For the 350PDX Transportation Team