

**Testimony of Randy Tucker, Legislative Affairs Manager
In Support of House Bill 2592, -6 amendment
Joint Committee on Transportation
May 8, 2019**



Co-chairs Beyer and McKeown and Members of the Committee:

Metro is the regional government of the Portland metropolitan area. One of our major areas of responsibility is the planning and delivery of transportation investments and operations. We do this work through collaboration with our public partners at the local and state levels and with multiple community stakeholders.

Background: As you know, during the development of the transportation package in 2017, addressing congestion and mobility in the Portland area was identified as a statewide priority. For much of the 2017 session, the Legislature considered imposing an additional tax in the Portland region that would be spent in the region to address these concerns. Metro and our regional partners spent a lot of time working on an equitable distribution strategy for these revenues. However, this so-called “regional increment” was ultimately dropped from the bill, with the understanding that the region would work to raise funds from its own residents.

Metro is now developing a ballot measure to present to the region’s voters in 2020. We are working collaboratively with our local government partners, the business community, and other stakeholders to develop a balanced proposal that addresses multimodal needs: roads and bridges, transit, bike/pedestrian facilities, and programs that help facilitate efficient and reliable transportation. This package will require a variety of funding sources.

One of the tools under consideration would be a regional vehicle registration fee (VRF). While Metro currently has authority to impose such a fee, several existing provisions of law ensure that any VRF revenues will be raised and spent in ways that are consistent with regional and state priorities.

- Revenues from such a fee would, of course, be constitutionally dedicated to expenditures within the road right-of-way.
- ORS 801.042 lays out terms and conditions for Metro or another district to impose a VRF. The statute requires that such a fee be approved by the region’s voters, and requires Metro to enter into intergovernmental agreements with our local partners that specify how the revenues will be apportioned among those partners. It further requires that revenues from a regional VRF may only be spent on projects recommended by a committee consisting of local officials and state agency representatives.

Problem: ORS 803.445 (5) currently limits cumulative county/district VRFs to the level of the state VRF imposed under ORS 803.420 (6)(a) and 803.422. Each county in our region already has a VRF; those fees remain below the limit but there is not enough remaining headroom to make a significant dent in our regional needs.

Request: The -6 amendment to HB 2592 would give Metro the authority to impose a VRF up to the level of the state VRF irrespective of any overlapping county fees, if the region's voters approve. It makes no other changes to the underlying statute. While the Metro Council currently plans to refer a measure to the ballot in 2020, in an abundance of caution we have requested that this authority extend to measures approved by the voters before the end of 2022.

Thank you for your consideration of this request.