

## FISCAL IMPACT OF PROPOSED LEGISLATION

Measure: HB 2098 - 4

82nd Oregon Legislative Assembly – 2023 Regular Session

Legislative Fiscal Office

*Only Impacts on Original or Engrossed Versions are Considered Official*

---

Prepared by: Tim Walker

Reviewed by: Amanda Beitel, Walt Campbell, Michelle Deister, Haylee Morse-Miller, Kim To, Matt Stayner

Date: 05/15/2023

---

### Measure Description:

Sets maximum cost of the Interstate 5 Bridge Replacement Project at \$6.3 billion over four biennia adjusted for inflation.

### Government Unit(s) Affected:

Department of Transportation, Department of Administrative Services, Cities, Counties, Department of State Lands, Metro, Department of Land Conservation and Development, Bonding, Legislative Policy and Research Office, Legislative Fiscal Office

### Summary of Fiscal Impact:

Costs related to the measure are indeterminate at this time - See explanatory analysis.

**Analysis:** The measure caps the total cost of the Interstate 5 Bridge Replacement Project at \$6.3 billion adjusted for inflation each year beginning in 2025; establishes the legislative intent to provide \$1 billion in Article XI, Section 7 General Obligations (GO) bonds over the next four biennia to be repaid with General Fund resources; and establishes legislative intent that any federal or toll revenue must be used to fund the project directly or to lower or repay amounts borrowed for the project. The measure also directs the Oregon Department of Transportation (ODOT) to annually report on the progress of the project until 2041. While the measure establishes a limit on project costs, it does not provide GO bond authorization or appropriate funding for the project.

In addition, the measure reaffirms the Legislature's commitment to the I-5 Rose Quarter Project and establishes the legislative intent to fully fund the projects in the 2024 and 2025 legislative sessions. The project was among those named in HB 2017 (2017), for which additional revenues were approved. HB 3055 (2021) specified that amounts earmarked for the Rose Quarter project in HB 2017 could also be used for other projects based on project readiness, and provided for expanded financing options for these projects by allowing for additional short-term borrowing capacity and for borrowing against the increases in Highway User Tax revenues contained in HB 2017 and future toll revenue. Similar to the provisions regarding the Interstate 5 Bridge Replacement Project, the measure does not establish bond authorization or appropriate funding for this project.

The Department of Administrative Services (DAS) is directed to administer the Highway Cost Allocation Study (HCAS). The measure requires a full study of each biennium and adds additional requirements to include an examination of the most recent study accuracy and an examination of the prospective study period based on projected data. The measure directs DAS to prepare and submit a report including an analysis of at least three of the most recent reported HCAS studies.

The measure also requires the Joint Committee on Transportation to study the adequacy of funding available to meet transportation infrastructure requirements in Oregon. The study is due before September 15, 2024.

The fiscal impact of the measure is indeterminate because of the potential commitment to authorize General Fund supported GO bonds over the next four biennia. Issuance of bonds includes associated cost of issuance and General Fund debt service, which would be estimated at the time of authorization. The measure otherwise has a

minimal fiscal impact on ODOT, DAS, the Legislative Policy and Revenue Office, Legislative Fiscal Office with respect to the required studies and reports. The measure has no fiscal impact on cities, counties, the Department of Land Conservation and Development, the Department of State Lands, and Metro.