

To: Joint Committee on Ways and Means, Subcommittee on Transportation and Economic Development

From: Metro Climate Action Team – Transportation Committee

Date: March 15, 2023

Re: HB 5040

Chairs Senator Woods, Representative Gomberg and members of the Subcommittee on Transportation and Economic Development.

Thank you for this opportunity to comment on HB 5040 relating to the financial administration of the Department of Transportation. Rather than comment on specific dollar amounts we oppose the expenditures listed in HB 5040 based on the priorities reflected in the budget and specifically the authorization for unlimited debt servicing.

As we are all aware, the Federal Reserve Bank continues to increase interest rates to slow inflation. This means that bonds issued in the past and even today will have less value in the future. This is not the time to encourage ODOT to issue more bonds nor to accrue additional debt by issuing more bonds. Debt servicing is already ODOT's second largest expenditure.ⁱ

ODOT reports they are facing ever decreasing revenue from taxes and fees paid into the State Highway Fund. They are also working on several significantly expensive projects. We are impressed with their ability to leverage federal money and yet concerned that the projects as currently planned will increase debt, require bail out from the General Fund, increase Vehicle Miles Traveled and related greenhouse gas emissions. We think several projects should be resized and funding either decreased or allocated to greenhouse gas-reducing multi-modal transportation rather than construction of wider freeways, taller bridges, and expansive interchanges.

For example, the interstate bridge replacement (IBR) project includes addition of auxiliary lanes, seven upgraded interchanges and a two-tiered bridge. The current estimated price tag is \$7.2 billion dollars and growing. When one reviews the IBR plan in detail it appears the replacement bridge alone would cost \$500 millionⁱⁱ. In today's Oregonian reporting on the Coast Guard's recommendation for a drawbridge the projected additional costs were \$400 million or less if we consider the savings of \$90 million saved by not needing to compensate businesses that will not be able to ship their goods under the proposed bridgeⁱⁱⁱ. About \$1 billion is far less than \$7.2 billion currently projected for the full project.

We agree that the Interstate 5 bridge needs to be replaced to have a seismically sound connection across the Columbia. We do question the need for more lanes and so many interchanges to accommodate more vehicles. We agree with tolling on the bridge to help pay for it and for maintenance. In fact, we advocate that tolling be put in place as soon as possible because there is a very strong likelihood that congestion pricing will decrease traffic across the bridge to prove the auxiliary lanes and new interchanges are not needed.

By installing tolling (obviously open road tolling transponders and vehicle recognition) systems first, ODOT has the opportunity to raise additional funds while testing the effects of congestion pricing on traffic. If current budget slated for this project were used to institute congestion pricing on the existing bridge it would be easy to identify the impact and right size the bridge.

This would put us miles ahead of Louisville Kentucky where they built the bridge, instituted congestion pricing, and then discovered they did not need the added capacity^{iv}. We should learn from their expensive example. In addition to implementing congestion pricing at this time we would like to see ODOT implement other programs to raise revenue and we would like to see a shift of funding to other significant transportation programs.

Road user fees need to be implemented to increase ODOT revenues for repair and projects. The Road User Task Force has been meeting and HB 3297 has been introduced but does not seem to be moving forward this session. Any fees should be designed to encourage electric and other zero emissions vehicles and discourage use of internal combustion engine (ICE) vehicles.

ODOT's Public Transportation Division is doing excellent work and needs additional funding. This program has helped expand public transportation throughout the state by working with local multi-modal networks so that programs are tailored to the needs of local communities. At this time nearly one-third of Oregonians do not drive a car. We would like to see this increased so that no Oregonian has to drive a personal vehicle and that two-thirds or more would choose not to. This can only happen with efficient, well publicized, convenient multi-modal public transportation.

As reported ODOT has increased funding for active transportation but only by a minuscule amount. Each of the active transportation programs are oversubscribed with more requests for funds than funds available. Funds for Safe Routes to School could be tripled and still not meet the demand. Likewise the Oregon Community Paths, Pedestrian/Bicycle Strategic Program, Great Streets Program, and Innovation Mobility Program. All of these programs reduce greenhouse gas emissions and support equity. Although we have so many cars we are congested we do not have enough bus, light rail, or passenger rail. These programs reduce greenhouse gas emissions and support equity. All will see an increase as congestion pricing is implemented and drivers seek other alternatives. We would like to see the Public Transportation Division budget increased significantly.

We appreciate that ODOT formed a Climate Office within their Policy Data and Analysis Division and appreciate the work they have done to begin to evaluate the impact of projects on greenhouse gas emissions from transportation. We are equally pleased with the consideration of low carbon building practices. The information from the Climate Office should be used as a primary factor in the evaluation of projects. Because the transportation sector is the single largest contributor to greenhouse gas emissions in Oregon all projects and activities should be prioritized by their ability to reduce total greenhouse gas emissions.

Thank you for the opportunity to comment on HB 5040 regarding funding for ODOT. We encourage increased funding for the Public Transportation Division for multimodal and active

transportation and for the Climate Office to continue the work of integrating climate considerations into every decision of the Department and the OTC.

Metro Climate Action Team (MCAT)– Transportation Committee

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ⁱ <https://www.oregon.gov/odot/about/pages/transportation-funding.aspx>

ⁱⁱ Page 55 https://www.interstatebridge.org/media/xdbdhl4x/ibr_rivercrossingoptions_final_remediated.pdf

ⁱⁱⁱ <https://www.oregonlive.com/commuting/2023/03/interstate-bridge-replacement-planners-ordered-to-study-drawbridge-option.html>

^{iv} <https://www.leoweekly.com/2019/06/louisvilles-bridges-project-biggest-boondoggle-21st-century/>