

Why should Oregonians subsidize suburban commuters from another state?

By Joe Cortright : 11-14 minutes : 4/18/2023

Oregon is being asked to pay for half of the cost of widening the I-5 Interstate Bridge. Eighty percent of daily commuters, and two-thirds of all traffic on the bridge are Washington residents. On average, these commuters earn more than Portland residents.

The 80/20 rule: When it comes to the I-5 bridge replacement, users will pay for only 20 percent of the cost of the project through tolls. Meanwhile, for the I-205 project in Clackamas County, users—overwhelmingly Oregonians—will pay 80 percent (or more of the cost in tolls).

Meanwhile, state legislators are looking—for the first time—to raid the state's General Fund (which is used to pay for schools, health care, and housing) to pay for roads by subsidizing the Interstate Bridge Replacement Project to the tune of \$1 billion.

The proposal for Oregon to fund half of the cost of the Interstate Bridge Replacement is a huge subsidy to Washington State commuters and suburban sprawl.

A draft proposal currently circulating in the Oregon Legislature—the so-called “-2” amendments to HB 2098—would have Oregon General Fund taxpayers contribute \$1 billion to the cost of the proposed Interstate Bridge Replacement Project. That's a huge break from established tradition. For the better part of a century, Oregon has theoretically had a “user pays” transportation system, which pays for roads out of the State Highway Fund. The state's constitution supposedly draws a hard line around the state highway fund (which is filled from gas taxes, weight mile fees and vehicle registration charges) to pay for the cost of building and maintaining roads.

But the HB 2098 “-2” amendments would, for the first time, use General Fund money to subsidize road construction.

The Oregon Constitution contains provisions that have been interpreted to limit the State Highway Fund revenues to only road expenditures, a key part of a “user pays” system that the state has ostensibly had for nearly a century. This would be a massive break from that philosophy, taking money from the general fund—something that is used to pay for schools, for health care for the poor, and for social services for the homeless.

Twice as many Washington cars on the bridge as Oregon cars.

On any given day, twice as many Washington residents cross the Columbia River as Oregon residents. These data are from a license plate survey conducted in 2012 for the Oregon and Washington Departments of Transportation.

Table 2-9 State-of-Plate on I-5 Bridge

	I-5 Northbound				I-5 Southbound			
	Weekday		Weekend Day		Weekday		Weekend Day	
	Cars ¹	Trucks ²	Cars ¹	Trucks ²	Cars ¹	Trucks ²	Cars ¹	Trucks ²
Number Plates Identified	27,478	1,454	23,387	405	24,154	1,843	24,196	485
Washington + Oregon	98%	90%	97%	80%	98%	92%	98%	79%
Washington	66%	50%	66%	43%	63%	34%	66%	49%
Oregon	32%	41%	32%	37%	35%	58%	31%	29%
California	1%	2%	1%	3%	1%	1%	1%	1%
Indiana	0%	3%	0%	10%	0%	5%	0%	10%
Canada	0%	0%	0%	1%	0%	0%	0%	5%
Mexico	0%	0%	0%	0%	0%	0%	0%	0%
All Others	1%	5%	1%	5%	1%	3%	1%	4%

1. Cars refers to FHWA Classes 1, 2, and 3
2. Trucks refers to FHWA Classes 4 through 13.



Four-fifths of all commuters on the I-5 and I-205 bridges are from Washington State.

The Census Bureau regularly surveys Americans about their commuting patterns. We very detailed data on who commutes within the Portland metropolitan area, and these data confirm what everyone already knows: vastly more Washington residents commute to jobs in Oregon than vice-versa. These data show that 80 percent of all commute trips across the Columbia River are Washington residents; only 20 percent are Oregonians commuting to jobs in Washington.

- 80% of commute trips crossing the river each day on both bridges were made by Clark County workers with jobs in the Portland Metro area in Oregon (approximately 62,500 commuters)
 - When taking into account Clark County workers that commute to any location in Oregon, the number increases to approximately 69,000
- 20% of commute trips crossing the river each day on both bridges were made by Multnomah, Clackamas, Washington County workers with jobs in Clark County (approximately 16,000 commuters)



Note: Crossing counts include data from ODOT/WSDOT/C-TRAN and reflect person trips including vehicles and transit. Commute trips are based on 2019 Census data

The real reason for expanding the I-5 bridge is to deal with traffic congestion, and especially peak afternoon traffic congestion in the Northbound direction: specifically, Washington residents driving home from their jobs in Oregon. The I-5 bridges are typically not congested in the off-peak direction—because there are far fewer Oregonians driving to jobs in Washington than vice-versa. The highest levels of traffic congestion are

Southbound in the morning peak hour (Washington residents commuting to jobs in Oregon), and Northbound in the afternoon peak hour (Washington residents returning home from their Oregon jobs). In a very real sense, the cost of the I-5 bridge expansion is to serve these commuters. There is no need to expand capacity on the I-5 bridges for Oregon workers because their commutes are not congested.

Washington Commuters have higher incomes than Oregonians

Peak-hour, drive alone commuters from Washington state to jobs in Oregon have average household incomes of \$106,000 according to Census data—about 25 percent higher than for residents of the Oregon side of the Portland metropolitan area. Clark County’s median household income of \$80,500 is higher than for the region (\$78,400) and for the City of Portland (\$76,200).

Much of the traffic across the river is Washington residents driving to Oregon to [evade Washington State sales tax](#). Estimates are that the average Clark County household avoids more than \$1,000 in state sales taxes each year by shopping in Oregon. Collectively Clark County households avoid \$120 million in state sales taxes per year, and this tax evasion accounts for 10 to 20 percent of traffic across the I-5 and I-205 Columbia River Bridges.

A tale of two counties, and two toll bridges

Why do Washington residents get a big taxpayer subsidy from Oregon, and Clackamas County residents get a high toll bill?

There are two toll bridge projects before the Oregon Legislature right now. One is the I-5 bridge, which as noted above, largely serves Washington residents, and the other is the I-205 Abernethy Bridge and I-205 freeway widening project in Clackamas County. The I-205 project serves mostly Oregon residents, and most of them live in Clackamas County. There’s a world of difference between how these two projects are going to be financed.

Oregon is being asked to pay for half the cost of the I-5 bridge, even though 80% of commuters and two-thirds of users are from Washington. Oregon, of course, will pay for all of the cost of the I-205 projects. And both projects will be paid for in part with tolls, but the tolling policy of the two projects couldn’t be more different. The IBR project will ask users to pay only about 20 percent of the total cost of the project (about \$1.5 billion of a total \$7.5 billion price tag). Meanwhile, users of the I-205 project will be asked to pay 80 percent or more of the cost through tolls. The Oregon Department of Transportation estimates that tolling will cost the typical Clackamas County family in the project area about \$600 per year in toll payments.

ODOT currently says that the I-5 bridge tolls will be as high as \$3.55, while the tolls for using I-205 will be \$4.40.

A key part of the reason that the tolls will be lower on I-5 is that Oregon is being asked to chip in \$1 billion for the Interstate Bridge Replacement, with a HB 2098 “-2” amendment saying that money will come from General Funds. So while Clark County commuters are getting a \$1 billion subsidy from Oregon for their new bridge—and enjoying lower tolls that cover only 20 percent of the cost of the project, Clackamas County drivers on I-205 will get little or no subsidy from the State, and bear 80 percent or more of the cost of this new project.

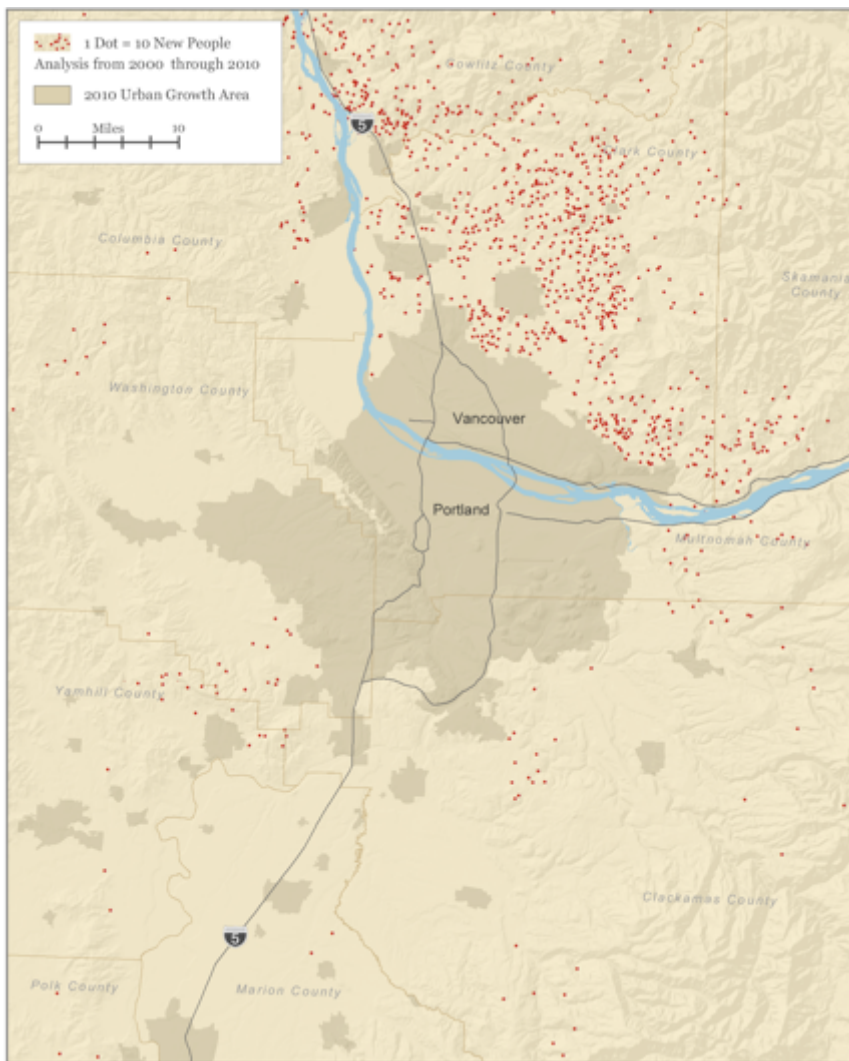
If we're going to ask Oregon residents, especially those from Clackamas County to pay tolls to cover nearly all of the cost of new Tualatin River and Willamette River Freeway Bridges, which are we requiring Oregon taxpayers to pay half the cost of the I-5 bridges? Put simply:

- Clackamas County residents will be asked to pay a \$4.40 toll to cover the cost of a \$1 billion project.
- Clark County WA residents will be asked to pay a toll of \$5.60 (or as IBR claims, \$2-3) to cover the cost of a \$7.5 billion project.
- ODOT's plan will charge much relatively much higher tolls to Clackamas County residents for I-205 than it proposes to charge Clark County residents for the I-5 bridges. (I-205 is \$4 of toll per billion dollar of project cost; I-5 IBR is \$1 of toll per billion of project cost).

It's hard to understand why the Oregon Legislature would treat Oregon voters and constituents in Clackamas County so much less generously than it is proposing to treat the people in Clark County, Washington.

Subsidizing Sprawl

The effect of building more road capacity to Clark County is essentially to encourage more people to live in Clark County. And Washington's land use laws are far less strict than Oregon's, meaning that much of that growth is car-dependent sprawl. When we look at the pattern of urban growth over the last couple of decades, it's apparent that Clark County Washington has grown substantially through ex-urban sprawl. While most new growth on the Oregon side of the Columbia occurred within the Urban Growth Boundary, Clark County Growth sprawled widely.



Why should Oregon taxpayers subsidize yet another round of exurban housing development in Washington?

Fairness and the User Pays Principle

For nearly a century, Oregon has relied on the “users pays” principle to guide road finance. In theory, gasoline consumption is roughly proportional to miles driven, and apportions to users the costs of the system in direct relation to how much they drive. Raiding the Oregon General Fund is a dramatic break with that principal, and deserves to be questioned in any event. But its really hard to understand why Oregon taxpayers should take money that could be used to educate children, care for the sick, or address homelessness, and use it to subsidize commuters (and shoppers) from another state. And it’s doubly hard to understand why we’d do that, while we’re asking another group of Oregonians, those living in Clackamas County to pay for almost the entire cost of fixing another bridge.

As Governor Tina Kotek said, the financing plan for the I-5 bridge shouldn’t unfairly burden low income Oregonians.

. . . When the bridge that we have now across the Columbia, the I-5 bridge, that was tolled at some time to create that bridge. I’m going to always be honest with Oregonians. We have to figure out how to pay to maintain and modernize our system of bridges and roads. And the plan right now to pay for the the improvements on the Abernathy bridge on I 205 and to pay for new I-5 bridge is

planned on tolling. Now I'm open to other ideas but I think we should be honest, if we need those types of infrastructure. We're gonna get as much money as we can from the federal government, and we have to have a conversation about how to pay for it locally. My goal is to make sure whatever we do, it does not unfairly burden our lowest income Oregonians who need to be on those roads. We have to figure out how to modernize and maintain our infrastructure.

Governor Kotek interviewed on [KOIN-TV](#) February 24, 2023 (Emphasis added)

But that's exactly what this proposal does. It keeps tolls low for Washington residents (they cover only 20 percent of the cost of the bridge they use) while it charges high tolls to Oregon residents (who pay 80 percent or more of the cost of their bridge). And the HB 2098 "-2" amendments propose to take money that is key to helping low income Oregonians (the State General Fund) and use it to subsidize out of state travelers.

It's worth keeping in mind that the original bridge (built in 1912) and the parallel second span built in 1958, were both paid for entirely with toll revenues. In theory, we have a "user pays" transportation system—although that's increasingly become a myth, as nationally we've bailed out the federal highway trust fund with general revenues to the tune of more than \$200 billion, and we grossly subsidize heavy, over-the-road freight trucks that cause vastly more damage to roads, the environment and people. Tolling is a "user pays" system: If 80 percent of the peak hour users of the I-5 bridge are Clark County commuters, and we're expanding the capacity of the bridge to meet their peak hour travel choices, its incredibly fair and reasonable to ask them to pay for most of the cost of the project. Washington taxpayers are getting a great deal: even though they account for roughly twice as much bridge traffic as Oregonians, Oregon is going pay just as much as they are toward the bridge.