



DATE: February 3, 2025

TO: Joint Committee on Transportation

FROM: Lindsay Baker
Oregon Department of Transportation

SUBJECT: House Bill 2931 – Interstate Bridge Replacement Project

INTRODUCTION

The Interstate Bridge Replacement Project is a critical connection linking Oregon and Washington across the Columbia River as part of a vital regional, national, and international trade route. With one span now over 100 years old, it is at risk of collapse in the event of a major earthquake and no longer satisfies the needs of modern commerce and travel. Replacing the aging Interstate Bridge across the Columbia River with a modern, seismically resilient, multimodal structure that provides improved mobility for people, goods, and services is a high priority for both Oregon and Washington.

House Bill 2931 modifies Oregon laws to enable delivery and implementation of this Project, specifically related to the financing of this bi-state project in partnership with the State of Washington, and their new role as the project's toll administrator.

BACKGROUND

In late 2019, leadership from Oregon and Washington restarted work to replace the aging Interstate Bridge.

The Interstate Bridge Replacement (IBR) Project includes:

- A new pair of bridges crossing the Columbia River built west of the existing bridges and replacement of the North Portland Harbor bridge between Portland and Hayden Island;
- Improvements to the I-5 mainline and seven interchanges, north and south of the Columbia River, as well as related enhancements to the local street network;
- Extension of light rail from the Expo Center in Portland to Evergreen Boulevard in Vancouver, along with associated transit improvements, including transit stations at Hayden Island, Vancouver Waterfront, and near Evergreen Boulevard and options for park and ride locations in Vancouver;
- One or two auxiliary lane(s) in each direction and safety shoulders on the bridges;
- A variety of improvements increasing accessibility for those who walk, bike and roll throughout the Program area including a safer and wider shared use path on the bridge;

and

- Variable rate bridge tolling for motorists using the river crossing as a demand management and financing tool.

In September 2024, the IBR Project published a Draft Supplemental Environmental Impact Statement to disclose the findings of the environmental evaluation. The document was available to the public for review and comment from September 20 through November 18; about 10,000 comments were submitted. The Project may be refined to address public comments, identify mitigation, and confirm a corridor-wide alternative. Following this, a Final Supplemental Environmental Impact Statement and Amended Record of Decision are anticipated to be issued in 2025/2026 by the Federal Highway Administration and Federal Transit Administration. The Project may then move into the construction phase.

The IBR Project is currently estimated to cost between \$5 billion and \$7.5 billion. The 2023 IBR Financial Plan includes a combination of federal, state, and toll funding:

- Federal Competitive Grants (\$1B prospective and \$2.1B committed)
- Washington Funding Contribution (\$1B committed)
- Oregon Funding Contribution (\$1B committed)
- Toll Funding (\$1.2B anticipated)

The Washington Department of Transportation will be the bridge toll administrator collecting tolls for the Interstate Bridge on behalf of both states.

DISCUSSION OF HB 2931

- **Sections 1-3 and Section 14:** Definition Updates and Statutory Clean-up. Amends statute to more accurately define the Interstate Bridge Replacement area and repeals and replaces, in relevant part, certain language that was never codified in Oregon Revised Statutes.
- **Sections 2 and 7:** Agreement Authority and Coordination with Washington State. Provides relevant statutory authority to enter into agreements to manage the IBR program between States and to operate interstate toll facilities on behalf of another entity and vice versa.
- **Sections 4-6, 8:** Toll Rate-Setting and Collection. Adds language directing consideration of traffic demand management in toll rate-setting; adds language to guarantee certainty of toll-backed debt repayment. Creates the Interstate 5 Bridge Toll Account to deposit all toll moneys received by ODOT related to the Interstate 5 bridge replacement project to ensure appropriate accounting of toll funds and toll administration. Authorizes transfer of funds from the Interstate 5 Bridge Toll Account to the Toll Program Fund; ensures transferred moneys are used only for authorized purposes benefitting the IBR project.
- **Section 9:** Toll Financing. Authorizes Oregon State Treasurer, following legislative approval, to issue bonds for toll-backed projects authorized by OTC or ODOT.
- **Sections 10-13:** Tolling Enforcement. Updates statutes to enable interstate toll enforcement through the disclosure of necessary information and the leveraging of tools

like civil penalties and administrative fees, when necessary, to effectively collect tolls on the Interstate Bridge.

CONCLUSION

HB 2931 modifies Oregon laws to enable delivery and implementation of this project, specifically related to the financing of this bi-state project in partnership with the State of Washington. ODOT appreciates engagement with partners within the Office of the Oregon State Treasurer, Washington State Department of Transportation, and the Office of the Washington State Treasurer. ODOT recognizes language adjustments may be necessary (via amendment) and looks forward to ongoing dialogue with the committee to ensure efficient and effective delivery of this critical investment for Oregon and the entire west coast.