Testimony for Joint Committee on Transportation, Preservation and Modernization June 6, 2017

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•Traffic Congestion Relief Program in HB 2017-3, Section 120

Thank you to the Co-Chairs and the Committee for making a bold and timely proposal for muchneeded transportation investment. I'm here to talk, very briefly and specifically, about Section 120 on congestion pricing. These may be the most important two pages in the bill.

I am representing an interesting coalition on this issue that includes The Nature Conservancy, Metro, Port of Portland, and the Oregon Economic Council. We are very supportive of a new congestion pricing program under the Oregon Transportation Commission, with sufficient funding to go beyond mere studies and begin real implementation.

Our coalition was convened by The Nature Conservancy after the release of the Oregon Business Leader's GHG Emission Reduction 2016 Task Force. The task force co-chairs, Merritt Paulson of the Timbers and John Carter of Schnitzer Steel, will be submitting testimony in support of congestion pricing. We understand that there will be additional amendments, so I will keep my comments general until we have a chance to review them.

By 2040, congestion will cost the average household 69 hours per year, at a huge expense to Oregon's economy. Worsening congestion also results in increased air pollution and carbon emissions. Motor vehicles are responsible for about 80% of air pollution in cities nationwide, and nearly 40% of carbon emissions in Oregon.

The only long-term way to relieve congestion is to price the roads—especially during peak hours. Congestion pricing creates incentives to drive at less crowded times, or use alternate modes of transportation. Paying a toll or fee for the roads is not easy for people to accept, but the fact is that 14 other cities in the US have done it, as have many cities around the world.

The current language in Section 120 focuses primarily on revenue generation, which is important, but we need to make the broader policy goal more explicit. If we're going to make large investments in our transportation system we need to protect them by maximizing their use and efficiency. We hope that the Final Bill will include a strong statement on the importance of designing the congestion pricing program to manage our road system as efficiently as possible by managing overall demand through pricing. The benefits will be realized in carbon reduction and considerable savings on capital expenditures, as well as in new revenue generation.

These are critical issues to address as we look to the future. The more that electric and automated vehicles take to the roads, the less we will be able to rely on traditional forms of revenue. We appreciate the commitment of the Legislature and the OTC to look at long term solutions—beginning with Section 120 of this bill.