

**REVENUE IMPACT OF
PROPOSED LEGISLATION
79th Oregon Legislative Assembly
2017 Regular Session
Legislative Revenue Office**

**Bill Number: HB 2750 - B7
Revenue Area: Toll Revenues
Economist: Mazen Malik
Date: 06-28-2017**

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

Measure Description:

Modifies laws related to interstate bridges operated by local governments.

Revenue Impact (in \$Millions):

The bridge tolling revenue comes in two forms. cash tolling and electronic/camera collection. The experience of the port seems to suggest that the electronic compliance is high and likely to have a higher percentage from cash tolling. The DMV registration enforcement will make that more effective. However, DMV can't use state funds to administer that function and must be compensated from the revenue stream.

The tolling is expected to generate about \$5 million a year from about 4.3 million trips. Tolling revenue is expected to pay its own collection costs and pay for debt service for the bridge replacement.

Debt service needed is approximately \$65 million for every \$100 million in debt.

Impact Explanation:

The Hood River-White Salmon Bridge crosses the Columbia River at Hood River and provides access to the communities of White Salmon and Bingen, Washington. In 1950, the Port of Hood River purchased the bridge and currently charges a toll on the bridge. It is estimated the cost of bridge replacement is \$250 million. Clarifies that the Port of Hood River is authorized to establish a toll or contract the collection on bridges they may operate and maintain. The amendment requires the Port of Hood River to include in any agreement to sell or transfer the bridge the requirement that first the Port and then the state have the first rights of refusal should that entity want to dispose of the bridge in the future. In addition, the agreement must require that the public continue to be able to use the bridge.

DMV will create a new flag to be added to an Oregon vehicle record indicating that the vehicle registration cannot be renewed due to an unpaid toll. Vehicles with an unpaid toll flag will not receive a vehicle renewal reminder from DMV. DMV will remove the flag upon receipt of notice from the tollway operator indicating all fees have been paid.

The Legislative Fiscal Office notes that if private funds are used, as allowed in the bill, state highway funds cannot be used for enforcement operations. ODOT has indicated that toll enforcement operations might be achieved without the use of state highway funds if necessary.

DMV already has process in place to provide vehicle owner and address information to agencies charged with the enforcement of the toll photo systems. This measure will add tollway operators to those already receiving this type of information. This allows for a higher level of recovery of fees and higher level of compliance with the tolls.

Creates, Extends, or Expands Tax Expenditure:

Yes No