



# Finishing Priority Commitments

Transportation Workgroup Three Report Out

# Transportation Workgroup 3

## 2017 Priority Commitments

DATE: January 16, 2025

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## Overview

### What is the Problem?

Transportation funding is facing a crisis due to a combination of factors: The traditional reliance on fuels tax is becoming less sustainable as vehicles become more fuel-efficient and electric vehicles become more prevalent. This decrease in revenue, paired with inflation-induced rise in construction costs, places immense pressure on existing transportation funding mechanisms.

Several projects were named in House Bill 2017 as critical projects that were needed to relieve bottlenecks and improve the safety of Oregon's infrastructure. The message to Workgroup 3 was clear: without additional funding and funding reform, Oregon will not deliver on these critical projects.

### The Workgroup Process

Transportation experts from various sectors gathered to form **Workgroup 3** (membership in Appendix A), which focused understanding the priority projects listed in House Bill 2017, the last transportation package.

The group met five times between October and December 2024. The objective was to build from the public comments heard through the transportation listening tours the spring and summer of 2024, and after a series of presentations and robust discussion, provide recommendations and insight into investments and associated funding mechanisms to the Joint Committee on Transportation.

At the end of the workgroup, workgroup members took a survey to identify the most important investments and rate revenue options (survey results in Appendix C). The survey findings and workgroup presentations and discussions are the basis of this report.

### Workgroup Recommendations

The complete survey responses from workgroup members can be found in Appendix C. The below are just highlights that were communicated by workgroup members, either through the workgroup or the survey.



## ***Project Criteria***

A clear objective of the next transportation package is to adequately fund transportation maintenance, operations, and preservation efforts, and this means that money for large projects must be scrutinized and prioritized. To that end, the workgroup created a list of project criteria to rank any project proposals that might be included in the next transportation package. The criteria ranks the safety, equity, and environmental benefits of the project, as well as if the project has local or federal funding, community support, and a shovel ready status.

Appendix B has the project criteria that was developed in the workgroup.

## ***Funding***

The most recommended short-term revenue streams were:

- Increasing base and enhanced light vehicle title fees
- Increasing fuels tax
- Increasing base passenger registration fees

The most recommended long-term revenue streams were:

- Rental car fees
- Studded tire tax
- Vehicle road usage charge

To ensure that money was dedicated to operations, maintenance, and preservation, workgroup members recommended:

- A fix-it-first policy (major projects cannot go forward until roads are proven to be maintained at a certain level)
- Indexing revenues to account for inflation, and adding more revenue sources to the state highway fund
- Maintaining the 50/30/20 split of the State Highway Fund
- Ensuring that the Oregon Department of Transportation (ODOT) has a sustainable level of work.

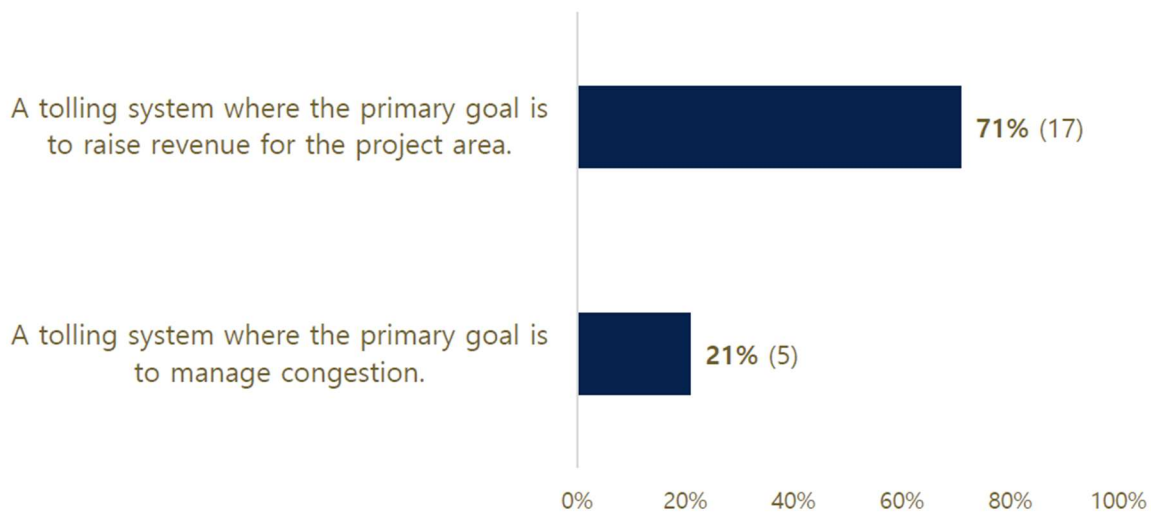
## ***Tolling***

The workgroup went over the tolling work that was completed for I-205 improvements. The presentation dove into the tolling study required in HB 2017, the setup of the tolling program, and what was learned after tolling was put on pause by the Governor in May 2024.



Tolling received 21 percent green light vote (would support), 63 percent yellow light vote (could support based on policy decisions, and 13 percent red light vote (would not support). For the yellow light votes, most respondents communicated it would depend on what type of a tolling system was set up and what the revenue was used for (complete responses in Appendix C).

The survey also asked workgroup members that if they had to choose one, what type of tolling system could they support: one that raised revenue or one that managed congestion. Below is their response:



## Background on the Projects

### Rose Quarter I-5

**Status:** Phase 1 begins construction in 2025. Phase 2 unfunded.

In 2017, the Oregon Legislature passed House Bill 2017, which included funding for the I-5 Rose Quarter Improvement Project. The project will enhance safety and congestion where three major interstates converge (a 1.8-mile stretch of Interstate 5 at the Rose Quarter), addressing the state’s highest interstate crash site and top traffic bottleneck. By constructing a highway cover over a portion of I-5, the project will support the reconnection of the lower Albina, the neighborhood, historic heart of Portland’s Black community that was severed by the original construction of I-5 in the 1960s.

Key improvements will include smoother traffic flow, faster emergency response times, and a 50 percent reduction in frequent crashes on I-5 through new ramp-to-



ramp connections and wider shoulders. The project will also create new community spaces on top of the highway cover for future development and economic opportunities, with development planning efforts led by the city of Portland. Additionally, the project will restore neighborhood street connections over the interstate and introduce a new car-free bicycle and pedestrian crossing, along with over 1.5 miles of local street improvements to enhance safety for people walking, biking, and rolling. Contracting opportunities for Disadvantaged Business Enterprises will build long-term career prospects for small businesses.

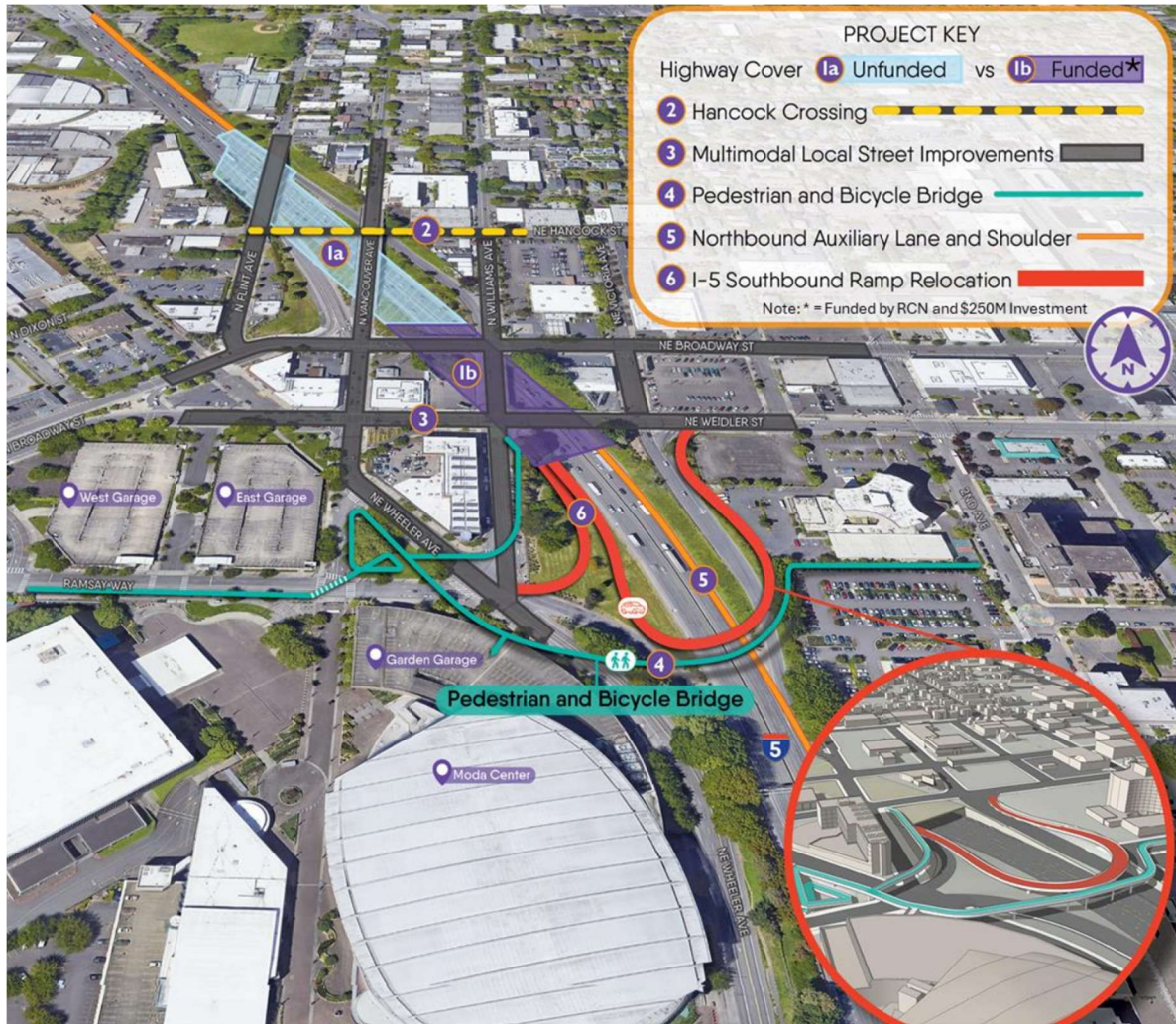
The current project cost estimate is between **\$1.5 and \$1.9 billion**. House Bill 2017 authorized \$30 million per year that comes off the top of the State Highway Fund starting in January 2022 to go toward project construction. ODOT will bond against these resources to generate an estimated \$560 million in total funding. However, revisions to the project scope and extremely high levels of construction cost increases across the nation significantly increased the cost of the entire Rose Quarter project. In 2021, House Bill 3055 authorized ODOT to use this funding to begin construction on the I-205 Abernethy Bridge, which was closer to being construction-ready.

In March 2024, the U.S. Department of Transportation awarded \$450 million for the I-5 Rose Quarter Improvement Project as part of its Reconnecting Neighborhoods and Communities grant program, marking the largest grant award ODOT has ever received and the single largest grant ever awarded through the program. These funds will go toward finishing design and constructing the initial, central part of the project's highway cover.

In December 2024, the Oregon Transportation Commission (OTC) voted to shift HB 2017 funds that had been dedicated to construction of the I-205 Abernethy Bridge back to the first phase of the Rose Quarter project, which will include the southbound auxiliary lane, part of the northbound auxiliary lane and shoulder, and part of the cover (Weidler to Broadway-in purple below). The total project cost for this phase is \$850 million, including the \$450 million federal grant for the cover. Construction is anticipated to start in 2026.

Phase 2 of the Rose quarter is not funded. It is estimated to cost \$650 million to slightly over \$1 billion, and it will complete the remainder of the cover (Flint to Broadway- in blue below), the remainder of the northbound auxiliary lane and shoulder, Hancock Crossing, local street improvements on top of the cover, relocating the southbound exit ramp, and the pedestrian and bicycle bridge at Moda Center.

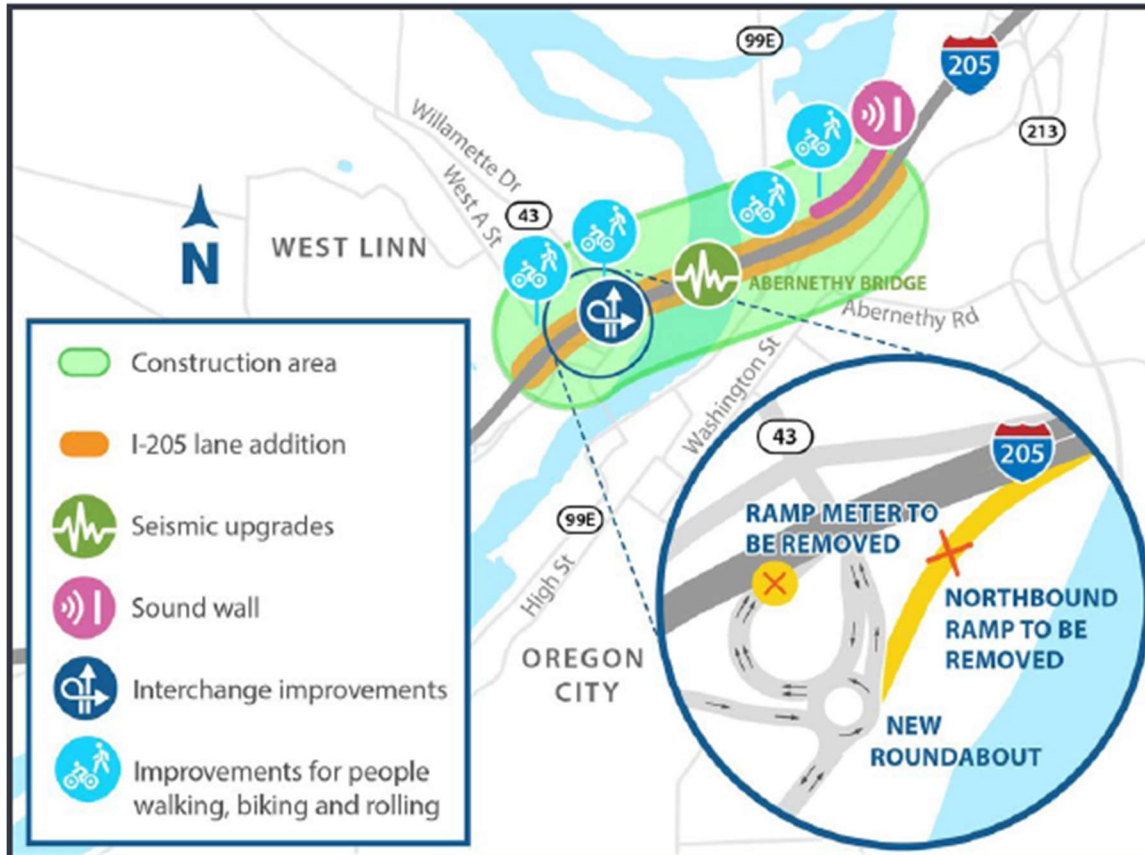




## I-205 Abernethy Bridge

**Status:** In construction

Abernethy Bridge began construction in 2022. The bridge is a vital link on I-205 connecting West Linn and Oregon City, and the project will create the first earthquake-ready interstate bridge across the Willamette River in the Portland area. This is ODOT’s largest construction project in over 45 years.



The Abernethy Bridge Project aims to strengthen the existing bridge to withstand a major earthquake, reconfigure on- and off-ramps, add a new roundabout to improve traffic flow and safety, and introduce new bicycle and pedestrian facilities to enhance safety and comfort for those walking, biking, or rolling. Additionally, the bridge will be widened to accommodate a future third travel lane.

In House Bill 2017, tolls were identified as a revenue source for this project. However, in 2021, House Bill 3055 authorized ODOT to use funding originally designated for the I-5 Rose Quarter Improvement Project to begin construction on Abernethy Bridge, with tolling revenue ultimately serving as a primary funding source.

The current total project cost estimate is \$815 million as of May 2024. This estimate does not include future changed conditions. To fill the funding gap created by the loss of toll revenue and shifting HB 2017 funding back to the Rose Quarter, the OTC approved an updated finance plan that requires selling approximately \$500 million in Highway User Tax Revenue bonds that will be repaid by HB 2017 bridge and seismic funds over the next 25 years. With this action, the project is fully funded.





## I-205 Widening

**Status:** Project on hold due to lack of funding.

I-205 Widening Project is to add a third lane for a 7-mile portion of I-205 from Stafford Road to OR 213, addressing the last remaining two-lane section of I-205. It will also include replacing or reconstructing eight bridges to create an earthquake-ready corridor.

The estimated cost is between \$700 and \$800 million, with no available funding, as HB 2017 did not provide any funding and instead identified tolling as a revenue source. This estimate assumes a construction start date in 2031 and is based on a project design that is 60 percent completed. All related environmental reviews have been indefinitely postponed due to a lack of funding. This project, along with related NEPA work, included tolls at the Abernethy and Tualatin River bridges to provide funding and manage congestion.

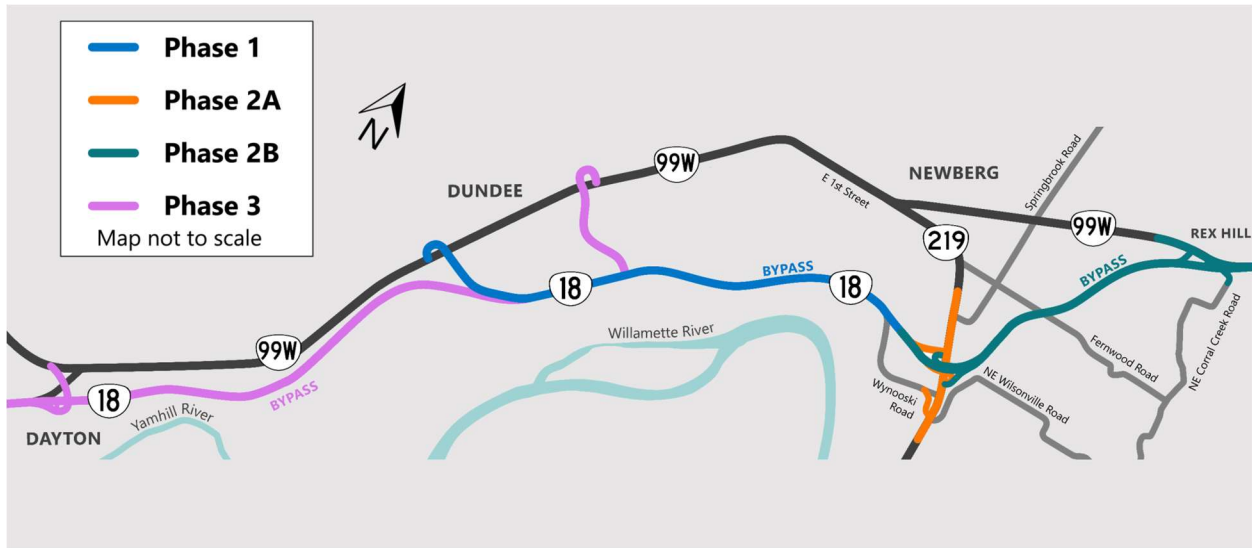


## Newberg Dundee Bypass

**Status:** Phase 1 complete. Phase 2A under construction. Phase 2B (other than design and right of way acquisition) is on hold for lack of funding.

The Newberg-Dundee Bypass aims to address increasing traffic congestion by improving mobility and safety through Newberg and Dundee in Yamhill County.

**Phase 1** was completed and opened for traffic in 2018, successfully laid the groundwork.



**Phase 2** was allocated \$22 million for the design through HB 2017 as well as additional resources by the Legislature from American Rescue Plan Act funds in 2021. The project also has remaining funds from the original Jobs and Transportation Act allocation for Phase 1 and additional funds provided by the OTC in the STIP. This phase is partially funded and will focus on building an interchange at the intersection of the Bypass and OR 219, making bike and pedestrian improvements, implementing safety upgrades, and tackling noise mitigation, among other enhancements.

- **Phase 2A** of the project will build improvements for the interchange where the Bypass meets OR 219, including the realignment of NE Wymosci Road. Phase 2A is fully funded, primarily from ARPA funds provided by the Legislature. Construction will start in 2025, and ODOT anticipates completing construction by 2027.
- **Phase 2B** of the project will include the construction of westbound exit and eastbound entrance ramps at OR219, as well as eastbound exit and westbound entrance ramps at OR99W. Additionally, it will feature a two-lane section from OR219 to OR99W, a new bridge structure carrying OR18 over OR219, a new bridge structure carrying the westbound exit ramp over OR219, soundwalls, and the realignment and connection of local streets such as Corral Creek Road and Veritas Lane. The costs to complete Phase 2B are estimated to be between \$210 million and \$300 million. The design is currently 50 percent complete, and the schedule is anticipated to take six years to complete once funded.



**Phase 3**, which involves completing the southwestern section of the Bypass, has not yet started its design work. The planning level cost estimates for this phase range between \$400 million and \$600 million.

## Center Street Bridge

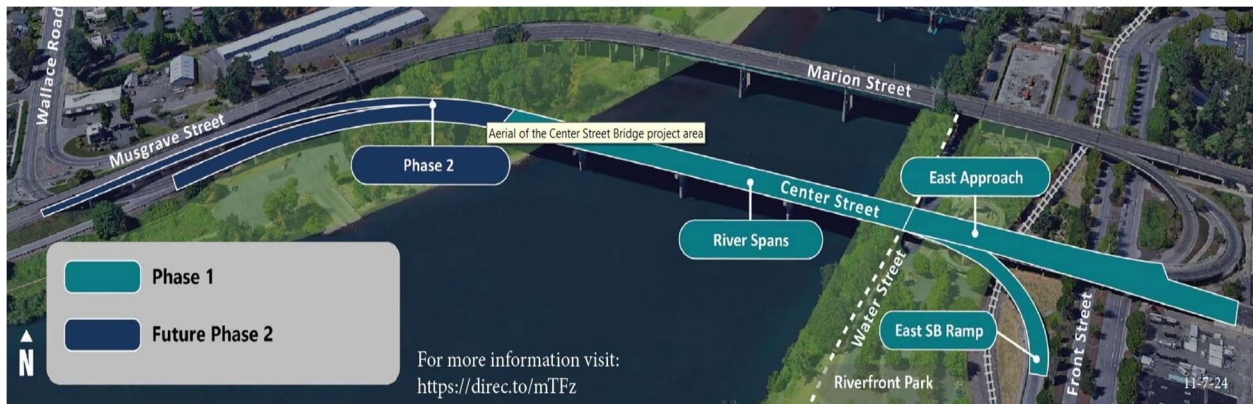
**Status:** Phase 1 to begin construction 2026. Phase 2 is unfunded.

The Center Street Bridge is one of two road crossings of the Willamette River in Salem, along with the adjacent Marion Street Bridge. A seismic retrofit of the bridge will provide the ability to reestablish connectivity after a major seismic event. House Bill 2017 dedicated \$60 million for the design and construction of this seismic retrofit. The design work began in 2019 and the project budget was subsequently increased to \$100 million.

To complete the project, a phased approach is needed.

**Phase 1** would include retrofitting the main span, east side approach, and ramp, with a total cost estimated between \$130 million and \$200 million. Construction is anticipated to start in 2026, with a funding gap of up to \$100 million to be covered by ODOT Bridge funds.

**Phase 2** would involve designing and building the west side approach and ramps, with additional project costs estimated between \$130 million and \$190 million in current dollars. Funding for this phase has not been identified.



## Funding Needs for all Projects

The table below shows what is funded and what is not funded for each project as of January 2025. Many of these numbers changed between the workgroup and the OTC December 2024 meeting.



Funded <i>(in millions)</i>	Not Funded <i>(in millions)</i>	Project
\$815		Abernethy (fully funded with OTC's decision to move \$500 M to bond bill)
\$850		Rose Quarter I-5 Phase 1 (funded with bonding)
	\$600-1,050	Rose Quarter I-5 Phase 2 (not funded)
	\$700-800	I-205 widening (none of the project is funded)
\$130-200		Center Street - Phase 1 (funded with bonding)
	\$130-190	Center Street - Phase 2 (not funded)
	\$210-300	Newberg Dundee Phase 2B- roadway connecting to OR99W
	\$400-600	Newberg Dundee Phase 3- Complete bypass

## Funding

There are several funding mechanisms that can fund a large project:

- 1) **State Highway Fund.** Money from fuels tax, weight-mile taxes, and DMV taxes and fees go into the State Highway Fund. Money in the State Highway Fund must constitutionally be used for the building and maintenance of roads and bridges and rest areas. By statute, the State Highway Fund is distributed 50 percent to the state (ODOT), 30 percent to counties, and 20 percent to cities.
- 2) **Federal funding.** Federal money can pay for state infrastructure if it is awarded through grants and allocated through ODOT's State Transportation Improvements Program (STIP).
- 3) **Local funding.** Local revenues, either those received from transportation taxes or from the State Highway Fund, can be used for projects in that locality's jurisdiction. This also includes any bonding revenue. However, local revenue typically goes to local systems and not state-owned facilities in their jurisdiction.
- 4) **Toll revenue.** Toll revenue from toll systems can be used to pay for infrastructure. However, there are federal restrictions on when tolls can be imposed and how toll revenue can be used.

## State Highway Fund

Three major pillars feed into the constitutionally-created State Highway Fund:



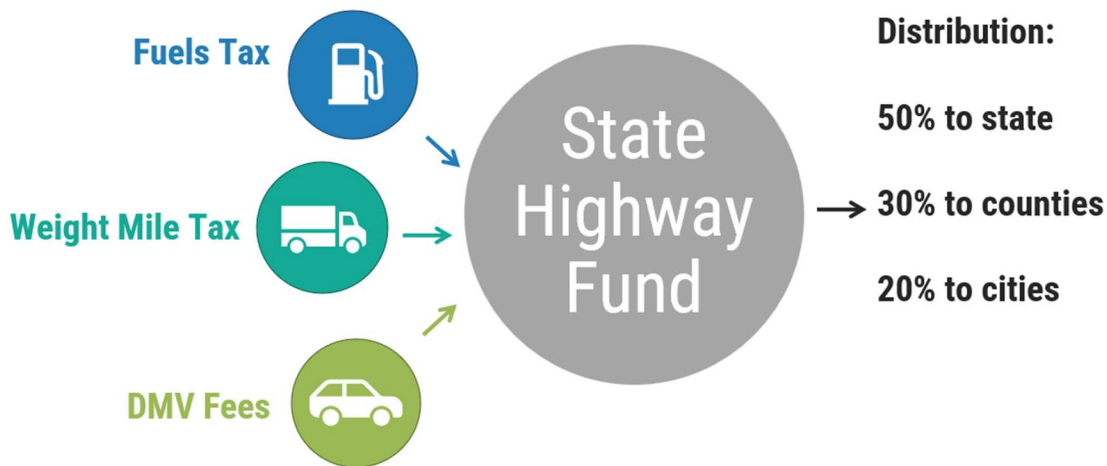


- Fuels taxes
- Weight mile taxes (for heavy trucks)
- DMV fees (title, license, and vehicle registration fees)

By statute (ORS 366), the State Highway Fund distributes revenues according to formula (approximately):

- 50 percent to the state
- 30 percent to counties (distributed according to vehicle registrations)
- 20 percent to cities (distributed according to population)

A number of programs come “off the top” of the State Highway Fund and are not part of the distribution formula. For example, HB 2017 set aside \$15 million annually for the Safe Routes to School program and \$30 million for ODOT’s Urban Mobility Strategy projects.



The State Highway Fund distribution formula means that any increases to the State Highway Fund will go to all levels of government. It also means that when the State Highway Fund constricts, all levels of government feel the pinch.

The distribution formula also requires any state-level requests from the State Highway Fund be doubled. The Governor requested an additional \$1.75 billion a biennium in the Governor’s Requested Budget; therefore, the legislature would need to raise \$3.5 billion a biennium to go into the State Highway Fund to meet that request if the statutory funding formula remains intact.



## Tolling

Many states and local jurisdictions around the United States use tolling to fund projects or manage congestion. In House Bill 2017, the Legislature directed the study and implementation of a toll program on I-5 and I-205 to alleviate congestion and generate revenue. The toll revenues would be allocated to the Congestion Relief Fund to support the implementation of the congestion relief projects in the metro region.

Benefits of tolling include decreased congestion, which improves the quality of life, enhances the flow of goods, and reduces greenhouse gases. Toll revenue is used to support corridor improvements, system maintenance, and capital projects to modernize the transportation system. Tolling can serve two purposes: raising revenue for specific projects or managing congestion. It is often challenging to balance these priorities when choosing which routes to toll and setting rates. The workgroup voted that if they had to choose one option, they would support a tolling system that raises revenue for specific projects.

In March 2024 the Governor put a pause on tolling in the I-205 corridor. Since that decision, ODOT's Regional Mobility Pricing Project has been stood down completely, including the closure of environmental reviews and the completion of the draft trade-off analysis. For I-205, the environmental review was partially complete before the pause. The Level 2 traffic and revenue analysis is done, but the gantry and roadside equipment design halted at about 85 percent complete. The back office and customer service center procurements were canceled after selecting a vendor, marketing work was stopped after selecting vendors, and low-income toll program development was halted.

For statewide toll systems, administrative rules for standing up a toll program are paused; however, partial toll rules for IBR (the I-5 Bridge between Oregon and Washington) rate-setting went to the Oregon Transportation Commission in December.

ODOT learned several lessons on tolling:

- Most states and major urban areas have tolling as part of the toolbox for managing congestion and raising revenue.
- Support for tolling tends to be higher when tolls pay for specific investments and when people see the benefit of paying a toll for quicker, more reliable trips.
- Other states have successfully used tolling as a funding source for major projects, particularly bridges and congestion relief projects.



- Washington state has introduced tolling on multiple projects in the Puget Sound metro region and continues to expand its use.

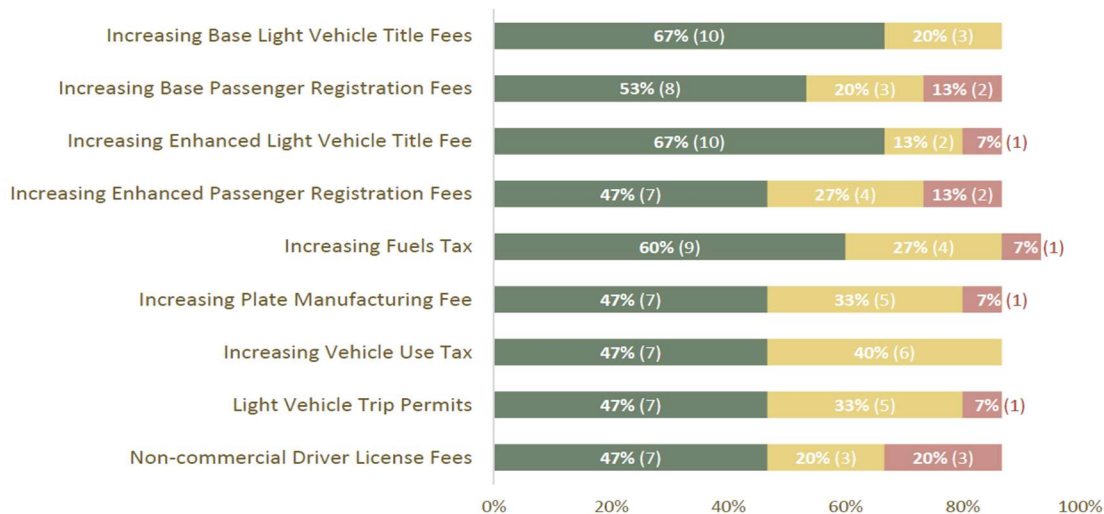
## Workgroup Funding Recommendations

### *Short Term Funding Options*

Short Term funding options would raise revenues for the State Highway Fund in a shorter amount of time, meaning that it would not take long for state government to create or enhance the funding mechanism. Pulling some of these levers might be necessary because of ODOT’s immediate budgetary shortfall.

In the survey administered in December, we asked workgroup members to rate each short-term revenue stream as green light (would support), yellow light (would support with conditions), and red light (would not support). The bar chart below shows the ranking of short-term revenue streams. The chart along with workgroup comments can be found in Appendix C.

Note: Among the 24 respondents, 9 indicated they were joint members of workgroup one. Joint members received a subset of questions in this survey to avoid redundancy with the workgroup one survey.



Below is an overview of each of the mechanisms we asked workgroup members to rank.



Short-Term Funding Mechanism	Description	Current Rate	Pros	Cons
<b>Raising Fuels Tax</b>	Fuel tax on gasoline is collected at the point of first sale. Fuel tax on diesel is collected at the pump.	\$0.40/gallon	<ul style="list-style-type: none"> <li>• Very efficient to administer</li> <li>• Significant short-term yield</li> </ul>	<ul style="list-style-type: none"> <li>• Unsustainable revenue source</li> <li>• Doesn't capture EV's</li> </ul>
<b>Raising Base Passenger Registration</b>	Registered owners pay a per-year registration fee at DMV in 2 year cycles	\$43/year	<ul style="list-style-type: none"> <li>• Significant short-term yield</li> <li>• Captures all road users</li> <li>• Easy to administer</li> </ul>	<ul style="list-style-type: none"> <li>• Flat revenue source</li> <li>• Everyone pays the same regardless of use</li> </ul>
<b>Enhanced Passenger Registration</b>	Registered owners pay a per-year registration fee in 2 year cycles based on MPG of their vehicle.	<b>0-19 MPG:</b> \$20/year <b>20-39 MPG:</b> \$25/year <b>40+ MPG:</b> \$35/year <b>EVs:</b> \$115/year	<ul style="list-style-type: none"> <li>• Significant short-term yield</li> <li>• Captures all highway users</li> <li>• Ability to adjust for different MPGs</li> </ul>	<ul style="list-style-type: none"> <li>• Flat revenue source</li> <li>• Everyone pays the same regardless of use</li> </ul>
<b>Base Light Vehicle Title</b>	Pre-transaction fee when vehicle is purchased and titled (new and used)	\$77	<ul style="list-style-type: none"> <li>• Easy to administer</li> </ul>	<ul style="list-style-type: none"> <li>• Flat revenue source</li> <li>• Everyone pays the same regardless of use</li> </ul>
<b>Enhanced Light Vehicle Title</b>	Pre-transaction fee when vehicle is purchased and titled (new and used) based on MPG of vehicle	<b>0-19 MPG:</b> \$24/year <b>20-39 MPG:</b> \$29/year <b>40+ MPG:</b> \$39/year <b>EVs:</b> \$115/year	<ul style="list-style-type: none"> <li>• Easy to implement</li> <li>• Ability to adjust for different MPGs</li> </ul>	<ul style="list-style-type: none"> <li>• Flat revenue source</li> <li>• Everyone pays the same regardless of use</li> <li>• Customers struggle to pay correct fee</li> </ul>
<b>Non-Commercial Driver License</b>	Per-transaction fee with renewals every 8 years for a standard Class C license	<b>Original:</b> \$64 <b>Renewal:</b> \$54	<ul style="list-style-type: none"> <li>• Easy to administer</li> <li>• Current fees aren't covering cost</li> </ul>	<ul style="list-style-type: none"> <li>• Cyclical revenue source</li> <li>• Lower yield potential</li> </ul>
<b>Plate Manufacturing Fee</b>	Fee for when license plates are first manufactured	<b>Single:</b> \$13 <b>Double:</b> \$26	<ul style="list-style-type: none"> <li>• Easy to administer</li> <li>• Reasonable yield</li> </ul>	<ul style="list-style-type: none"> <li>• Flat revenue source</li> <li>• Potentially sensitive to price increases</li> </ul>
<b>Light Vehicle Trip Permits</b>	Fee is charged as needed for unregistered vehicles to be on public roadways	<b>Light Motor Vehicle:</b> \$35	<ul style="list-style-type: none"> <li>• Easy to administer</li> </ul>	<ul style="list-style-type: none"> <li>• Relatively flight/declining revenue source</li> <li>• Low yield potential</li> </ul>





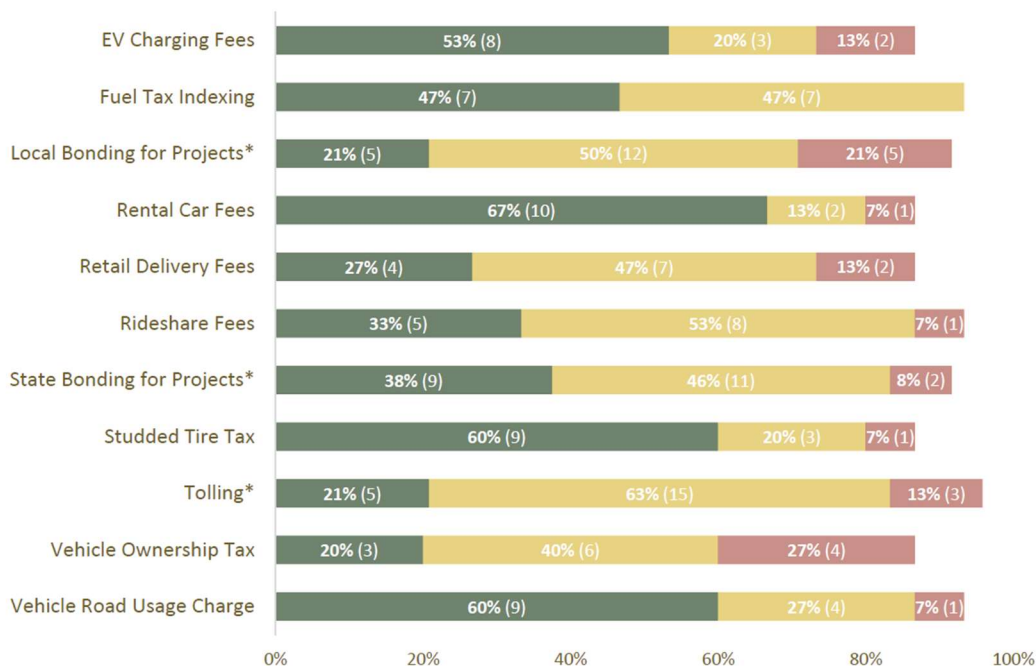
Short-Term Funding Mechanism	Description	Current Rate	Pros	Cons
<b>Vehicle Use Tax</b> <i>(Dependent on changes to Vehicle Privilege Tax)</i>	Fee is charged upon initial title of new vehicles purchased out of state	0.5% of vehicle purchase price	<ul style="list-style-type: none"> <li>• Easy to administer</li> <li>• Increasing revenue source (3% a year)</li> </ul>	<ul style="list-style-type: none"> <li>• Low yield potential</li> <li>• Small amount of transactions</li> </ul>

### Long Term Funding Options

Long-term funding options would raise revenues for the State Highway Fund, but the ramp up time to realize these revenues may be longer. In many cases, the revenue source does not currently exist so state government would have to build it. However, many revenue streams listed below would help transportation funding recover over the years as fuel taxes continue to decline.

In the survey administered in December, we asked workgroup members to rate each long-term revenue stream as green light (would support), yellow light (would support with conditions), and red light (would not support). The bar chart below shows the ranking of long-term revenue streams. The chart along with workgroup comments can be found in Appendix C.

Note: Among the 24 respondents, 9 indicated they were joint members of workgroup one. Joint members received a subset of questions in this survey to avoid redundancy with the workgroup one survey.





Below is an overview of each of the mechanisms we asked workgroup members to rank.

Long-Term Funding Mechanism	Description	Pros	Cons
<b>Road Usage Charge (VMT or RUC)</b>	Would require vehicles exceeding certain MPG ratings to pay per-mile in lieu of fuels tax or enhanced registration fees	<ul style="list-style-type: none"> <li>• Mitigates decline in fuels tax</li> <li>• Provides greater parity</li> <li>• Enhances sustainability</li> </ul>	<ul style="list-style-type: none"> <li>• More complex to administer</li> <li>• Untested at scale</li> <li>• Evasion could be an issue</li> <li>• More costly to collect than fuels tax</li> </ul>
<b>Fuels Tax Indexing</b>	Would tie Oregon's fuel tax rate to an index so it could adjust for inflation	<ul style="list-style-type: none"> <li>• Efficient to administer</li> <li>• Significant short term yield</li> <li>• Mitigates impacts of inflation</li> <li>• Ability to set floor and ceiling</li> </ul>	<ul style="list-style-type: none"> <li>• Doesn't capture EV's</li> <li>• Still susceptible to fleet conversion</li> <li>• Construction inflation often exceeds CPI</li> </ul>
<b>Retail Delivery Fees</b>	Per-order (or per-mile) fee for retail delivery services.	<ul style="list-style-type: none"> <li>• Moderate revenue potential</li> </ul>	<ul style="list-style-type: none"> <li>• Could be regressive</li> <li>• Based on sales tax systems in other states</li> </ul>
<b>Rideshare Fees</b>	Fee issued per rideshare ride	<ul style="list-style-type: none"> <li>• Captures EV vehicles with high VMT</li> </ul>	<ul style="list-style-type: none"> <li>• Could be regressive to certain parts of the state</li> <li>• Not a significant revenue source</li> <li>• Competes with local rideshare taxes</li> </ul>
<b>Carbon Tax</b>	Carbon tax applied to all fossil fuels	<ul style="list-style-type: none"> <li>• Efficient administration</li> </ul>	<ul style="list-style-type: none"> <li>• It's the fuels tax called another name</li> <li>• Susceptible to fleet conversion</li> </ul>
<b>Electric Vehicle Charging Tax</b>	Tax on per kilowatt-hour on public charging stations	<ul style="list-style-type: none"> <li>• Easy to administer</li> </ul>	<ul style="list-style-type: none"> <li>• Not very significant source of revenue</li> <li>• Doesn't cover private charging</li> <li>• Could curtail state's efforts to reduce carbon emissions</li> </ul>
<b>Rental Vehicle Tax</b>	Tax charged during rental car transactions	<ul style="list-style-type: none"> <li>• Likely paid by non-Oregonians</li> <li>• More inflation resilient</li> </ul>	<ul style="list-style-type: none"> <li>• Influenced by changes in economic activity</li> <li>• Competes with local rental tax</li> </ul>
<b>Studded Tire Tax</b>	A tax on the purchase or installation of studded tires	<ul style="list-style-type: none"> <li>• Provides revenue to mitigate pavement damage</li> </ul>	<ul style="list-style-type: none"> <li>• Low revenue yield</li> <li>• Declining use of studded tires</li> </ul>



Long-Term Funding Mechanism	Description	Pros	Cons
<b>Vehicle Ownership Tax</b>	Tax on the consumer for the purchase of a new and/or used vehicles	<ul style="list-style-type: none"> <li>• Significant revenue potential</li> <li>• Closely mirrors privilege tax</li> <li>• More inflation resistant</li> <li>• Rates can be tied to specific vehicle characteristics</li> </ul>	<ul style="list-style-type: none"> <li>• Non-dealer sales pose administrative challenges</li> <li>• Influenced by economic activity</li> </ul>



## Appendix A: Workgroup 3 Membership List

Member	Affiliation
Alicia Chapman	Oregon Transportation Commission
Andi Howell	Sandy Area Metro
Angi Dilkes	OR Building & Construction Trades
Anthony Castaneda	SEIU 503
Beth Blackwell	Springfield City Council
Bill Bradley	Amalgamated Transit Union
Bob Goodrich	DOWL
Brett Morgan	Climate Solutions
Cassie Wilson	1,000 Friends of Oregon
Chris Carpenter	Ironworkers Local 29
Courtney Graham	SEIU 503
Dan Dorran	Umatilla County Commission
David Ford	Dundee City Council
Don Loving	Amalgamated Transit Union
Evan Oneto	FedEx
Indi Namkoong	Verde
Jana Jarvis	Oregon Trucking Association
John Olson	McMinnville Chamber of Commerce
Julie Wilcke Pilmer	Ride Connection
Kevin Campbell	AAA
Kirsten Adams	Associated General Contractors
Kristin Reidelberger	Central Oregon Land Watch
Lorne Bulling	Ironworkers Local 29
Marc Butorac	Kittelson & Associates, Inc
Marie Dodds	AAA
Mark Becketl	Salem Public Works Department
Mary Peveto	Neighbors for Clean Air
Meg Ramey	Safe Routes to School Manager, HRCSD
Mike Eliason	Association of Oregon Counties
Paul Savas	Clackamas County Commission





<b>Member</b>	<b>Affiliation</b>
Sarah Iannarone	The Street Trust
Scott Strickland	Sheet Metal Workers, Smart Local 16
Scott Williams	Hamilton Construction
Sharla Moffett	Oregon Business & Industry
Zachary Lauritzen	Oregon Walks



## Appendix B: Project Criteria

Criteria for the Projects		Definition	Ranking System	Top Score (Points for "Yes")
1	2017 Priority Project	The project was committed to in HB2017. After passing HB 2017, legislative districts were promised key projects. It is important for the state to keep those promises.	Yes/No	10
2	Classification of Roadway	The OHP classification of the roadway the project addresses.	7- interstate 5- state 3-Regional 1- District	7
3	Broad Community Support	The project has the support of the community in the construction area, and the community that frequently uses the infrastructure.	Yes/No	5
4	Bridge Condition ( <i>for bridge projects only</i> )	Condition of the bridge categorized by evaluating bridge components (deck, superstructure, and substructure).	5- very poor condition 4- poor condition 3- fair condition 2- good condition 1- very good condition	5
<b>Investments</b>				
5	Local match secured	State and local resources have been committed to the project.	Weighted by amount invested	10
6	Opportunity to leverage local match	The project has the ability to gather financing from local governments. (no points if criteria 5 is answered "yes")	3- Yes 2- Maybe 0- No	3
7	Federal dollars secured or committed	Federal money has already been awarded or given to the project.	Weighted by amount invested	10
8	Opportunity to leverage major federal dollars	The project has the ability, and will likely be awarded, federal grants (no points if criteria 7 is answered "yes")	Yes/No	3
<b>Status</b>				
9	Project is underway and in need of completion	The project has started construction, but it is not completely funded.	Yes/No	25
10	Shovel ready projects	The project is completed with design and is ready to start construction.	Yes/No	5
<b>Demonstrated Benefits for:</b>				



Criteria for the Projects		Definition	Ranking System	Top Score <i>(Points for "Yes")</i>
11	Freight	The project has a significant positive impact on freight movement and the local or regional economy, by improving access to commercial areas or industrial zones.	Yes/No	5
12	Safety	The project will reduce identified traffic hazards, fatalities, and serious injuries within the project area.	Yes/No	5
13	Resiliency	The project allows roadways to withstand extreme weather conditions and/or a natural disaster.	Yes/No	5
14	Multimodal Connectivity	The project improves connectivity for different modes of transportation, such as integrating bike lanes, pedestrian paths, and public transit options.	Yes/No	5
15	Rural Area Development	The project is in a rural area (defined by US Census Bureau) and focused on quality of life for rural residents by improving roads to reducing travel time, enhancing safety, and increasing access to recreational and cultural activities. The project also facilitates transportation for agricultural products and other goods, which is crucial for the economic vitality of rural areas.	Yes/No	5
16	Environmental Justice	The project addresses the disproportionate environmental burdens faced by low-income and minority communities by improving environmental conditions in these areas.	Yes/No	5
17	Equality of Access	The project enhances access to emergency services, healthcare, education, and essential services for all communities, particularly those in low-income or underserved urban areas.	Yes/No	5
18	Greenhouse Gas Emissions Reduction	The project directly contributes to reducing transportation-related GHG emissions through increased efficiency, electrification, and/or reduced vehicle miles traveled.	5- Significant reduction in GHG & VMT 3- Moderate reductions in GHG & VMT 1- Minor or unquantified 0- No impact	5



Criteria for the Projects		Definition	Ranking System	Top Score <i>(Points for "Yes")</i>
19	Improving Congestion	Project addresses the potential for increased VMT due to added capacity or other interventions.	5- robustly models induced demand with mitigation strategies 3- Limited modeling with partial mitigation 0- Minimal or no modeling of induced demand.	5
20	System-wide efficiency	Project optimizes traffic flow through intelligent systems or designs and can reduce congestion and emissions without increasing VMT.	3 - incorporates advanced technologies (e.g., ITS, adaptive signals) or designs that demonstrably improve traffic flow and reduce emissions 2- Moderate integration of system-wide efficiency measures 1- Minimal inclusion of technologies 0- no inclusion of technologies	3



## Appendix C: Survey Responses

# Joint Committee on Transportation Workgroup Three Survey Results



## About this Report

This report contains responses from the **Workgroup Group Three Survey: Funding 2017 Priority Projects**. The qualitative responses are not summarized nor analyzed; they are reported verbatim and lightly edited to correct spelling and punctuation errors where needed for clarity. Multiple choice questions and workgroup members' level of support for revenue sources are summarized in charts.

The survey was administered online using the Qualtrics platform. A copy of the survey instrument is included in the appendix. Survey links were emailed to all members of the workgroup on December 6<sup>th</sup> and remained open for data collection until December 31<sup>st</sup>. The response rate was 69%, with 24 of 35 workgroup members completing the survey. Among the 24 respondents, 9 indicated they were joint members of workgroup one. Joint members received a subset of questions in this survey to avoid redundancy with the workgroup one survey; these questions are marked with an asterisk (\*) in the report.

### Staff

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## 2017 Priority Projects

### **What public education elements do you think would help further public understanding of the 2017 priority projects? \***

1. Most important is to highlight accomplishments, including what was done on projects that are not complete. Explain what projects continue rather than what didn't get done. For example, the tolling meetings and workgroups were part of the process; a lot was learned from the workgroups and from the public. This transportation package continues that important work with the 2017 projects as top priority before any new projects. I believe everyone in Oregon understands there is a congestion problem; even small, rural towns experience congestion on their highways. The importance of these projects to improve traffic flow for everyday life and the economic benefits from the movement of freight are the main goals of these projects and they benefit the entire state.
2. Any narratives that help the public understand the specific projects that were committed to in the 2017 transportation package - so that when they see new construction they see it more as a previous commitment fulfilled, rather than an arbitrary decision to begin a new project. It would also be helpful for the public to understand the long overdue nature of some of the key projects identified from 2017, so they understand its value to safety, reducing congestion, helping the economy, reducing local impacts by improving throughput, etc. It might be helpful to give some statistics that help put it into context - how much the population has grown since the last time such projects have been undertaken, how much of the region's economy moves through those corridors as a GDP, etc. I also believe that education around funding might be valuable - so people understand things such as: 1) how much of these projects is paid for by federal dollars, how much cars and trucks pay for these projects as a %, how much revenue ODOT is required to share with local governments as well as other mandates which further restrict revenue, and maybe lastly how much % of inflation adds to the overall cost of a project every year it is delayed.
3. Build trust with local governments and the public through increased financial and operational transparency and partnership with ODOT. In recognition of the need to maintain public trust and accountability, progress on the projects the legislature committed to funding as part of the 2017 transportation funding package is needed



while assuring no significant impacts to the overall distribution of State Highway Fund revenues that support other projects, cities, and county road departments. Education should focus on the original HB 2017 scope, increased scope since 2017, cost increases, and reasons, and clearly defined benefits to the system and users, particularly the safety and congestion benefits.

4. I'm on the inside and I'm as confused as ever. I-205 wasn't even a project on the 2017 list and it's broken ground even though the congestion tolling that was supposed to pay for it got cut.
5. 1) Develop and distribute fact sheets and information to mayors - through the League of Oregon Cities - to share with city council members and the public; 2) Stories placed in local media; and 3) social media, including interviews with legislative transportation leaders on podcasts.
6. We need a strategic and sustained public education campaign to educate the public regarding the vital nature of the priority projects included in HB 2017. To date, communication to the public has been sporadic and inconsistent and is not reaching all targeted audiences and demographics. Without a comprehensive education campaign, we can't expect the public to support these priority projects.
7. The public really needs better education on how much we pay in taxes versus how much we think we pay in transportation taxes. Additionally, how the split is broken down and how projects are funded from previous packages.
8. Social media campaign should be a priority. Can't just be Metro focused, must recognize the entirety of the state and the regional needs/priorities. Greater detail about how/where project funding originates.
9. In recognition of the need restore public trust and accountability, progress on the projects the legislature committed to funding as part of the 2017 transportation funding package is needed while assuring no significant impacts to the overall distribution of State Highway Fund revenues that cities, and county road departments. Education should focus on the original HB 2017 scope, increased scope since 2017, cost increases, and reasons, and clearly defined benefits to the system and users, particularly the safety and congestion benefits. Diversion into communities as result of bottlenecks (ODOT interstate infrastructure failing) is not acceptable. Any attempt to toll or not build the





capacity improvement will only exacerbate safety and congestion due to diversion caused by rerouting. ODOT needs to recognize their conflicting messages over the last few years and remember the public expected the 3 high priority projects. It was apparent to many that 2 of the 3 priority projects were put on the back burner and the new ODOT narrative was stand up their tolling project. ODOT has not demonstrated any solutions to diversion as it relates to toll avoidance, until then tolling the interstate bridge may be an opportunity for ODOT to reconcile the diversion numbers from the CRC study and today's IBR study. Diversion onto 205 with the existing 205 bottleneck must be resolved. The public is also asking how suddenly did ODOT dig a 1.7B hole in their budget???

10. 1). Public media stories in local papers; 2) Fact Sheets and information provided to every elected mayor/city administrator - working through League of Oregon Cities - that can be shared with every community; 3) social media, including interviews of Senate and House transportation leaders on podcasts.
11. There is a significant lack of understanding within the general public about the impact inflation has had on the cost of the priority projects listed in HB 2017. Not only has the larger economy impacted the projects, but the scope of the projects has changed since they were originally included and funded in the 2017 transportation package. There is also a need to educate the public on the impact that the Governor's moratorium on tolling has put on the funding of the I-5 Rose Quarter and I-205 Abernethy Bridge projects specifically.
12. A systematized structure that organizes these projects based on what we can afford, and on what time scales.
13. 1. That the construction industry has suffered tremendous inflationary cost increases since the 2017 project estimates occurred. 2. That the overall scope of these projects has expanded over time. 3. The additional design and geotechnical studies that have been undertaken have resulted in more expensive design and construction estimates. 4. Some of these projects were dependent upon the implementation of tolling, which has been delayed or deferred pending further discussion and consideration. 5. Completion of these projects will require additional funding from a future legislative package and ODOT will need to re-establish trust with the public and stakeholders that these projects will be completed.



14. The costs of the projects have continued to grow and without additional funding they will not be complete.
15. Dedicated website, outreach to publications statewide
16. Public education is crucial to fostering understanding and support for the 2017 priority projects, especially impactful infrastructure improvements like the Newberg-Dundee Bypass. To further public understanding, I suggest emphasizing these key elements: Clear Messaging About Benefits: Focus on how shovel-ready projects like the bypass will alleviate congestion, improve safety, and spur economic development. Highlight tangible examples, such as reduced commute times or increased access to local businesses. Data-Driven Storytelling: Use visuals like infographics, maps, and short videos to demonstrate the measurable impacts of the project. For instance, share data on how the bypass has already reduced travel times or how completing it will enhance regional connectivity. Community Testimonials: Showcase voices from local businesses, commuters, and residents who directly benefit from the project. Their real-life stories can make the case for prioritizing these improvements more relatable and compelling. Transparency About Costs and Timelines: Educate the public about the funding required, the steps involved to complete the projects, and why acting now on shovel-ready projects is the most cost-effective approach. Interactive Engagement: Host open houses, town halls, or online Q&A sessions where community members can ask questions and see plans up close. Engaging the public directly fosters trust and investment in the process. Highlight Regional Impact:
17. We should educate the public on the opportunity cost of pursuing the full project list at current scope, the implications that bonding those dollars would have on future SHF funds, and options for managing these costs to protect core services and systems across the rest of the state so they can make informed decisions about these tradeoffs. Considering state and local goals to reduce carbon emissions, information on induced demand and the true climate costs of these projects would be appropriate.
18. The public needs to know that 1) promises were made 2) projects around Oregon are being utilized to pay for I-205, 3) the Rose Quarter is no longer a transportation project. It's a land deal with a freeway component. If tolling is resurrected, the public will need to be assured that every dime is spent directly on transportation projects and only transportation projects.



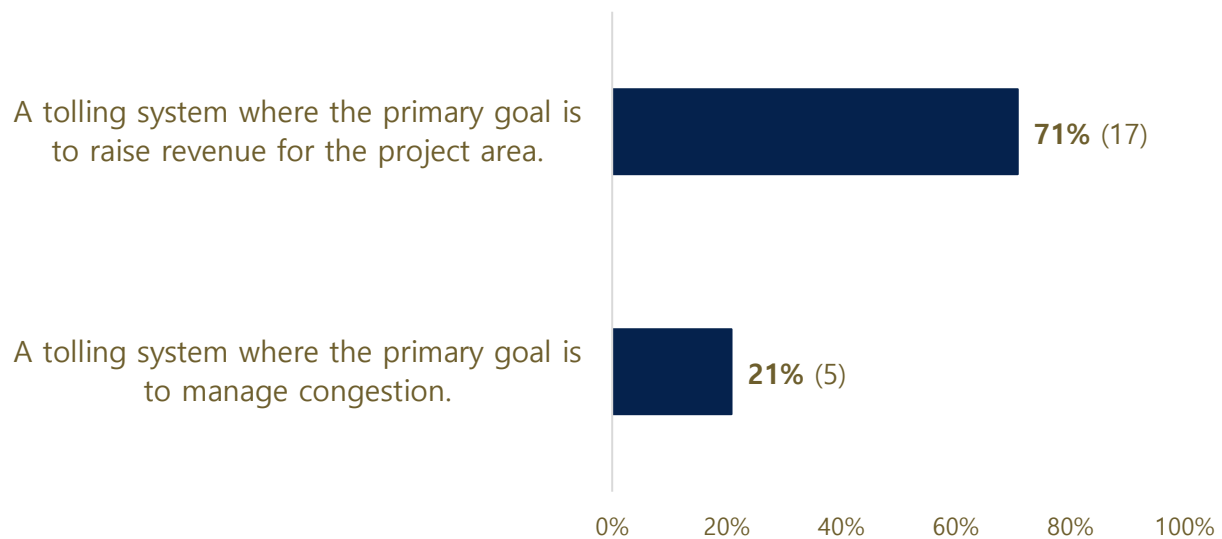
19. The public deserves transparency about the opportunity cost of pursuing these projects at their current scope including the implications that bonding to pay for them will have on future State Highway Fund dollars and basic projects around the state that will be deferred or cancelled. Induced demand and the resulting VMT and GHG increases need to be meaningfully accounted for and communicated. Most community engagement around these projects has been about manufacturing consent even if that means selling a false narrative. No freeway expansion has ever solved congestion. These projects do not address our deadliest roads. Widening I-5 is not required in order to build the caps. Project costs only ever go up. We can't actually afford to pay for any of this without deferring other work around the state. These are the types of things the public deserves to know so they can make informed decisions about these tradeoffs.
20. Op-Ed materials statewide. Dedicated website.
21. Most important is to highlight accomplishments, including what was done on projects that are not complete. Explain what projects continue rather than what didn't get done. For example, the tolling meetings and workgroups were part of the process; a lot was learned from the workgroups and from the public. This transportation package continues that important work with the 2017 projects as top priority before any new projects
22. 1) A realistic understanding of how much passenger vehicles (drivers) are actually paying to support Oregon's road network. 2) What is costs to keep our road network in good working order - preventative and maintenance costs for the system. 3) That ODOT can't just shift dollars around to other programs when they are allocated either through federal programs or state legislative direction. 4) Maintenance and construction cost increases over the past 10 years due to inflation.
23. There is a significant lack of understanding within the general public about the impact inflation has had on the cost of the priority projects listed in HB 2017. Not only has the larger economy impacted the projects, but the scope of the projects has changed since they were originally included and funded in the 2017 transportation package. There is also a need to educate the public on the impact that the Governor's moratorium on tolling has put on the funding of the I-5 Rose Quarter and I-205 Abernethy Bridge projects specifically.



24. Funding does not match need - explain in tangible ways. "Bridges have a life cycle of 75 to 100 years. Current funding levels have Oregon bridges on a 900-year replacement cycle" {fact check that, but I think it is pretty close} Portland-area freeway projects (Rose Quarter and I-205, for example) have statewide implications for the economy and freight. They are not just "Portland projects".

**If you had to choose, which priority would be more important to you at this moment? (*select one*) \***

Chart 1: Percent (and number) of workgroup members who selected each priority.



Source: Legislative Policy and Research Office analysis

Note: Rows do not add up to 100 because some workgroup members did not select a priority.

**How do we make sure we have enough resources in the State Highway Fund dedicated to preservation and maintenance?**

1. We need to choose appropriate funding sources for the needs of the state. The new package needs to understand all of the transportation needs, adopt some new funding sources and protect the Highway Fund for preservation and maintenance.
2. I think we need to look at other states and how they raise transportation revenue outside of a fuel tax and weight-mile (such as registration fees, sales tax on vehicles and parts, etc.). Perhaps we need to reconsider spending of current revenue as well, I



believe ODOT has an unsustainable amount of mandates on it that I think requires some very realistic review.

3. Support a fix it first, operations, maintenance, and safety by maintaining the 50/30/20 funding formula distribution that supports ODOT, Counties, and Cities' seamless transportation system. Because of significant highway construction inflation, indexing traditional State Highway Fund taxes and fees will bring significant sustainability to the transportation system. Build trust with local governments and the public through increased financial and operational transparency and partnership with ODOT.
4. 1. Stop redistributing money from O&M to megaprojects and moving money between megaprojects. 2.
5. The Legislature should support efforts to develop a funding plan that adjusts to inflation to reduce the loss of buying power. Further, it should support a funding package that takes significant steps forward to transition from a gas tax to a Road User Fee (RUF) based on vehicle miles traveled to reduce revenue loss. A RUF should protect the local government's authority to collect local gas taxes. Given the continued expansion of fuel-efficient vehicles and the increased number of electric vehicles, we need to build on a stable core revenue source that does not lose ground in the long term. Any authority to raise local transportation-related revenues should not be pre-empted in a state revenue package. This includes local gas tax, utility fees, and fees associated with ride-share companies such as Uber and Lyft. Revenue sources such as trip or delivery fees need to ensure that the revenue is allocated to the facilities and jurisdictions of origin, because of the direct impact on the facilities. The Legislature should support a city's authority to establish funding sources, including critical funding mechanisms related to transportation. The current SHF's core funding components should remain central to the funding package because they have an immediate nexus between revenue generated from the use of the transportation system while providing a long-term structure. For new revenue options, it will remain important to share those revenues equitably with cities and counties.
6. Fix it first approach should be prioritized and shared with public as part of education campaign. Ensure the public understands where dollars are going - connecting what they are paying at the pump to the benefits they receive from ODOT's maintenance



and operations. Education campaign about relationship of maintenance and operations to safety. Secondary to safety, education around the impact vehicle maintenance and cost from maintenance and operations.

7. Support a fix it first, operations, maintenance, and safety by maintaining the 50/30/20 funding formula distribution that supports ODOT, Counties, and Cities' seamless transportation system. Because of significant highway construction inflation, indexing traditional State Highway Fund taxes and fees will bring significant sustainability to the transportation system. Put emphasis on interim solutions until a RUC system is established. Public messaging statewide is advised to demonstrate that maintenance costs have risen significantly for cities, counties, and state facilities. Consider several lower cost funding mechanisms vs expensive mechanisms with high administrative costs and high capital costs like tolling
8. The legislature should develop a funding plan that adjusts to inflation to reduce the loss of buying power. Further, it should support a funding package that takes significant steps forward to transition from a gas tax to a Road User Fee (RUF) based on vehicle miles traveled to reduce revenue loss. A RUF should protect the local government's authority to collect local gas taxes. Given the continued expansion of fuel-efficient vehicles and the increased number of electric vehicles, we need to build on a stable core revenue source that does not lose ground in the long term. Any authority to raise local transportation-related revenues should not be pre-empted in a state revenue package. This includes local gas tax, utility fees, and fees associated with ride-share companies such as Uber and Lyft. Revenue sources such as trip or delivery fees need to ensure that the revenue is allocated to the facilities and jurisdictions of origin, because of the direct impact on the facilities. The legislature should support a city's authority to establish funding sources, including critical funding mechanisms related to transportation.
9. We need to make sure that we are charging an adequate fee to all users of the system and indexing to the Construction Cost Index for the revenue raising means to have a sustainable funding system moving forward. We also need to preserve the constitutional provisions for the usage of State Highway Fund money.
10. Maintain the 50-30-20 allocation of State Highway Funds without any percentage degradation of any future funding increases or sources.





11. Keep the split intact 50/30/20 and work towards a more diversified funding stream.
12. To ensure the State Highway Fund has enough resources for preservation and maintenance, we need a comprehensive approach focused on sustainable funding, prioritization, and efficiency. Diversifying revenue streams is essential. Adjusting fuel taxes for inflation, implementing road usage charges (RUC) as more vehicles transition to electric, and exploring public-private partnerships can create a stable funding base. Prioritizing preservation over new projects will extend the lifespan of existing infrastructure and reduce long-term costs. A clear framework for prioritization ensures maintenance remains a top focus. Efficiency is also critical. Performance-based budgeting and data-driven decision-making allocate funds where they deliver the most value. Collaboration with federal and local governments maximizes funding opportunities and ensures resources are used effectively. Aligning state priorities with federal programs and sharing responsibilities with local governments are key strategies. Public education is vital to building support. Communicating the importance of maintenance to safety and long-term savings helps foster understanding and backing for funding initiatives. Finally, innovation through advanced materials and predictive maintenance technologies will save costs and improve outcomes. These combined efforts will ensure a well-maintained and reliable transportation system for the future.
13. Follow a fix-it-first approach and codify this into law. Do not bond against existing funds meant for maintenance of our current system for the purposes of adding road capacity.
14. 1) Balance the costs between light and heavy vehicles by adjusting both sources appropriately. 2) Increase the gas tax - it's currently the most effective form of taxation for roads. 3) Build an understanding with legislators that road investment supporting bikes and pads needs another source of funding including support from the general fund. 4) Avoid implementing "niche" taxes that are costly to administer (package deliver fees)
15. I do not know enough to have a super informed opinion, but a sustainable and legislatively protected revenue stream seem like good starts.



## **In your mind, what would a balanced multi-modal transportation system look like?**

1. It will look different across the state based on the needs, infrastructure and population density. In general, for me a balanced system would have freight moved via trucks and trains. Large trucks would primarily travel on Interstates and Highways. Freight would then be unloaded in both urban and rural areas for distribution in smaller vehicles. Public transit would be available across the state as a means to 1. get people out their cars, making way for freight 2. help preserve the roadways and 3. meet State goals on greenhouse emission. This will require the STIF payroll tax that has been benefitting transit to be protected and likely increased. It also will require transit agencies to work together to continue to create and maintain transit connectivity across the state, including the rural areas of the state. Transit has to be able easily accessed and dependable (frequent) in order to work. More transit would also make walking and biking easier in small, rural areas, providing the first and last mile. I basically envision people walking and biking around town for their daily needs in a green, breathable community space, then taking a bus (carpool lanes!) to get to work further away or home, while trucks and fewer cars travel on Highways and Interstates and trains zip by furiously loaded with freight and passengers on the outskirts of populated areas for long distance Intercity and Interstate travel.
2. This is a hard question as it is rather open-ended. But I think expenditures that more accurately reflect where the most revenue and traffic come from would be a good start. Doing a retroactive audit that looks projects actually completed and weighs that against the HCAS would also be a good start for balancing expenditures and revenues. Oregon spends entirely too much on transit and bike and ped with what appears to be pretty low ridership - this needs to be revised as well. We need to focus on how people are actually using our infrastructure and try less social engineering.
3. A multimodal system is best achieved by supporting local infrastructure and local routes. Maintain the 50/30/20 formula distribution that supports ODOT, Counties, and Cities' seamless surface transportation system. A multimodal system is one that prioritizes commerce on major roads and livability in neighborhoods; incorporates complete street improvements and prioritizes connectivity for all modes of transportation.



4. Funding is prioritized based on the kind of behavior we want - transit > biking / walking > freight > personal vehicles.
5. The Legislature should support expanding funding for public transportation operations statewide, focusing on opportunities to expand inter-community service and service expansion, emphasizing small cities and rural and frontier communities. Communities that have received funds from the Statewide Transportation Improvement Fund (STIF) since 2017 have created effective public transit alternatives for their communities. If the (STIF) payroll tax or other revenues to pay for public transportation increase, consideration should be given to explicitly allow investments in first/last-mile access to transit stops, including walking and biking facilities and shared mobility options such as bike share. The Legislature should support a funding formula that balances revenue distribution with underserved populations and connects communities with other cities and larger urban populations. The Legislature should reduce or minimize grant programs' match requirements for small cities and rural communities.
6. Transportation for all. We want a first grader to be able to walk from their front door to the park. Recognize that there are diverse transportation needs amongst a variety of transportation systems – city, county, state. Priority should be creating convenience.
7. If you were to examine the Portland Metro region you would find the system lacks balance, Portland and the north part of the region have substantial multimodal systems, yet substantial parts of the region in the South have zero options. Clackamas County and parts of Washington County have very limited to zero transit options. A funding mechanism that was dedicated to FIXING the imbalance would lead to building a MULTI-modal system. Until then the current system will continue to be biased based on political influence. Another large problem is lack of utilization, including metrics. The public is outspoken when they see substantial resources going towards bike-ped facilities disproportionate to the more obvious needs. Perhaps fixing the regional and state imbalances followed by fixing the disproportionate investing in multimodal would begin to restore some credibility in the state. A multimodal system is best achieved by supporting local infrastructure and local routes. Ensure adequate funding for Oregon's safe and seamless surface transportation system. Maintain the 50/30/20 formula distribution that supports ODOT, Counties, and Cities operations, maintenance, and



safety. Incorporate diverse and modern funding mechanisms to ensure the growth and stabilization of the State Highway Fund (SHF). Reduce barriers to local revenue sources.

8. The Legislature should support expanding funding for public transportation operations statewide, focusing on opportunities to expand inter-community service and service expansion, emphasizing small cities and rural and frontier communities. Communities that have received funds from the Statewide Transportation Improvement Fund (STIF) since 2017 have created effective public transit alternatives for their communities. If the (STIF) payroll tax or other revenues to pay for public transportation increase, consideration should be given to explicitly allow investments in first/last-mile access to transit stops, including walking and biking facilities and shared mobility options such as bike share. The Legislature should support a funding formula that balances revenue distribution with underserved populations and connects communities with other cities and larger urban populations. The Legislature should reduce or minimize grant programs' match requirements for small cities and rural communities.
9.
  1. A well-maintained, safe system of highways, roads, and streets across all jurisdictions that meet the needs of motorists, freight movement, bicyclists, and pedestrians without severe levels of congestion.
  2. An interconnected network of intracity and intercity transit systems that serve urban areas that can support transit service, including bus, light rail, tram, commuter rail, and para-transit services at the level that they are warranted.
  3. Public investments in freight rail and regional passenger rail in cases where there is a public good resulting from the investment across public and private infrastructure.
  4. In large urban areas, have a system of express travel lanes on freeways, that motorists can pay to access as a form congestion management, as well as carpool and vanpool lanes.
10. Continue to support the 50/30/20 division of funding as all roads are in need of ongoing support and maintenance AND explore various ways that have been presented to fund maintenance and projects of statewide significance AND preserve/increase STIF payroll tax allocated for transit which supports congestion mitigation and diversion.
11. A balanced multi-modal transportation system integrates various modes of travel—automobiles, public transit, cycling, walking, and freight—to meet diverse needs efficiently, equitably, and sustainably. In such a system, public transit forms the backbone, offering reliable, frequent, and affordable options that connect urban centers with surrounding areas. High-quality transit infrastructure, like light rail and buses, is



complemented by first- and last-mile solutions, such as bike-sharing programs or micro-mobility services, to ensure seamless connections. Pedestrian and cycling infrastructure, including safe sidewalks, bike lanes, and multi-use paths, is prioritized to encourage active transportation and reduce reliance on single-occupancy vehicles. Investments in safety, such as protected bike lanes and traffic calming measures, foster accessibility for people of all ages and abilities. For automobiles, a balanced system includes well-maintained roads, with a focus on reducing congestion through smart traffic management and carpooling initiatives. Electric vehicle (EV) infrastructure is expanded to support the transition to a greener fleet. Freight systems must ensure efficient goods movement, integrating rail and road networks while reducing environmental impacts. This vision emphasizes equity, ensuring all communities have access to safe, affordable, and sustainable transportation options. By blending modes, we create a system that supports economic vitality, environmental

12. A clear shift in priorities is demonstrated at the state level by restructuring revenue generation and investments from a focus on private vehicle use and increasing system capacity, towards a more climate-forward, efficient, and equitable transportation system. Active and public transportation are prioritized, and revenue generation and investments are made beyond the State Highway Fund. A balanced multi-modal transportation system would be safety first, climate forward, fair, and accountable. It means streets that youth can cross safely to school, where older adults can get their daily exercise, people using mobility devices can get everywhere they need to go, and transit gets you there and back on time. A multi-modal transportation system would ensure that every dollar delivers on our climate and air quality goals while expanding safe, financially sustainable, and well-maintained transportation choices for all Oregonians.
13. A balanced transportation system would primarily have trucks and public transportation on highways and Interstates. It would have public transportation, cars and bikes on local connectors. Throughout this process I keep reminding myself that any solution must help the State meet its goals. For example, we cannot keep adding to the cost of registration of electric vehicles if we want people to purchase electric vehicles. A road usage fee is sensible, but it seems most Oregonians will find it invasive and a government overstep.



14. Reprioritizing investment in Oregon's road network to support cars and trucks. An increasing percentage of dollars are being devoted to projects that don't support payers of the system. A user pay system for transportation has worked well for decades - but adding other project costs into the system that don't support cars and trucks makes it more difficult to get public support for increasing gas and W/M taxes.
15. Dedicated, comfortable and intuitive facilities for bicyclists and pedestrians to move about and between cities. This has been chronically under-funded and compromised throughout the state for decades. The costs to achieve this balance is probably prohibitive given the car-centric built environment in most cities. However, I think we should still be striving for the ideal balance.

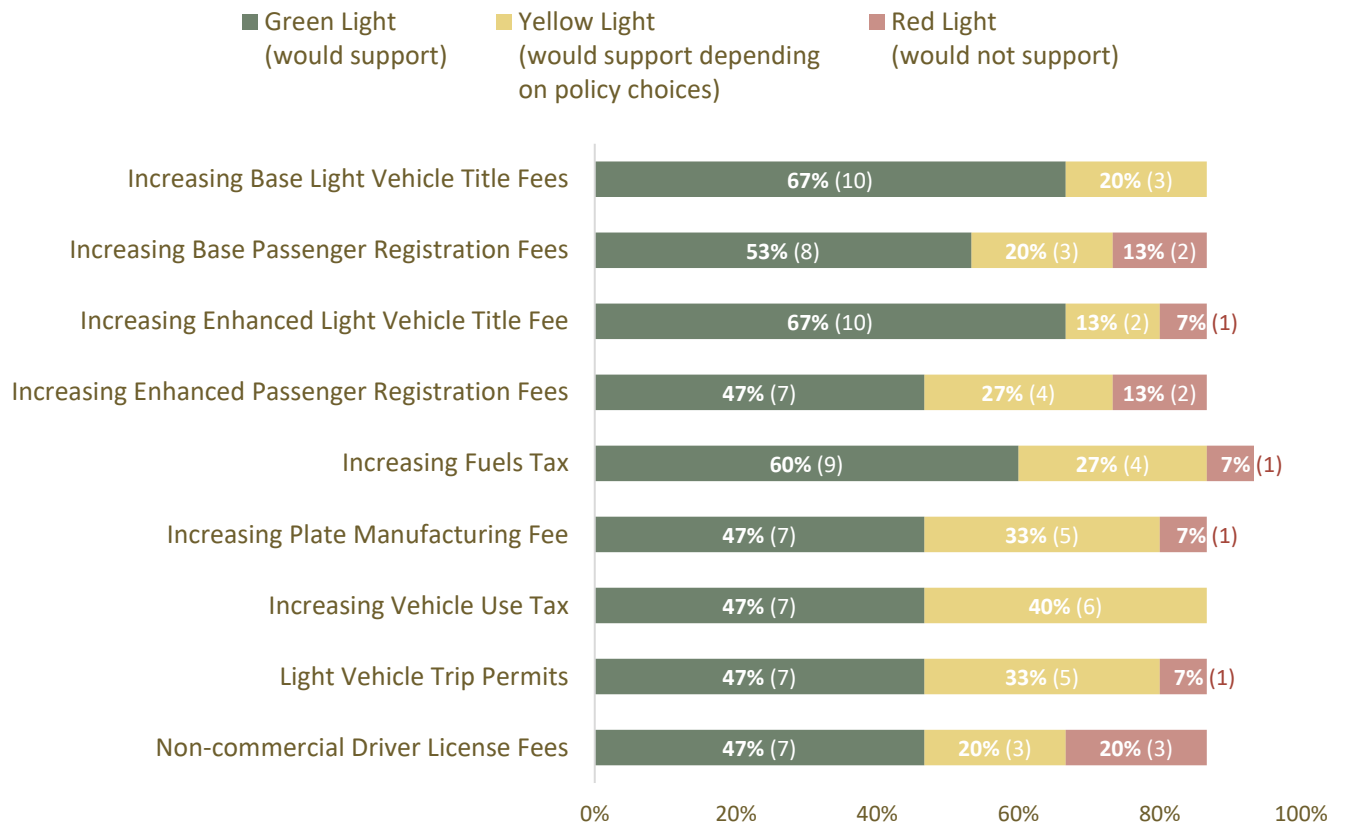




## Short-Term Revenue Sources

This section includes a chart summarizing workgroup members' level of support for each revenue source, followed by listings of their comments for choosing their support rating. These questions were only asked of workgroup three members who were *not* joint members of workgroup one (n=15).

Chart 2: Workgroup members' level of support for short-term revenue sources.



Source: Legislative Policy and Research Office analysis

Note: Rows do not add up to 100% if any workgroup members did not rate the revenue source.

### *Increasing Base Light Vehicle Title Fees*

**Green Light (would support): 67% (10)**

1. I support all these knowing the deficit in funding for O&M, transit and active transportation.
2. Any of these in the list should be indexed to inflation....
3. Would support small incremental increases over a space of several years.



4. Easy to administer. Increases in DMV fees should cover service function costs.
5. Relatively small cost but increase reflects rising costs due to inflation
6. We need to raise revenue outside of just a fuel tax.
7. Short term fix with significant yield. Small cost to consumer.
8. It is in place and therefore easy to administer.

**Yellow Light (would support depending on policy choices): 20% (3)**

1. Support is dependent on how this tool is implemented, and where and how the revenue is spent. Ensure that funding is fair and sustainable. Incentivize cleaner, safer transportation choices. Be progressive and assign burdens/benefits equitably. Reinvest in the comprehensive, complete system we need.

### ***Increasing Base Passenger Registration Fees***

**Green Light (would support): 53% (8)**

1. Would support small incremental increases over the space of several years
2. Significant short-term yield; Captures all road users; Easy to administer.
3. Relatively small cost/meaningful revenue increase
4. Same as above, provided these increases are moderate and do not result in too much sticker shock.
5. Generates a lot of revenue, easy to administer and is spread across many users.

**Yellow Light (would support depending on policy choices): 20% (3)**

1. Support is dependent on how this tool is implemented, and where and how the revenue is spent. Ensure that funding is fair and sustainable. Incentivize cleaner, safer transportation choices. Be progressive and assign burdens/benefits equitably. Reinvest in the comprehensive, complete system we need
2. I wouldn't want to add a tax that competes with a local tax that already exists. So if this competes with the Multnomah, Washington, Clackamas reg fees I would not support. Short term fix with significant yield. Small cost to consumer.

**Red Light (would not support): 13% (2)**

1. Would not be equitable - impacting lower income residents.



## ***Increasing Enhanced Light Vehicle Title Fee***

### **Green Light (would support): 67% (10)**

1. Enhanced fees are better than base fees.
2. Would support modest incremental increases over several years to bring fee amount (when combined with registration fees) equal to the amount paid by average motorist paying fuel taxes.
3. Easy to implement.
4. Opportunity to capture revenue from high mileage/EV transactions that currently are underpaying for use of Oregon roadways
5. it makes sense to me to tier this as the most efficient vehicles are paying the least in gas taxes, also EVs do far more damage to the roads.
6. Easy to implement.

### **Yellow Light (would support depending on policy choices): 13% (2)**

1. Support is dependent on how this tool is implemented, and where and how the revenue is spent. Ensure that funding is fair and sustainable. Incentivize cleaner, safer transportation choices. Be progressive and assign burdens/benefits equitably. Reinvest in the comprehensive, complete system we need.

### **Red Light (would not support): 7% (1)**

1. We should tax for what we want for our future. This tax is more if you drive an efficient or EV vehicle. I wholeheartedly disagree with penalizing taxpayers for doing exactly what you hope they will do.

## ***Increasing Enhanced Passenger Registration Fees***

### **Green Light (would support): 47% (7)**

1. Would support modest incremental increases over the space of several years until amount paid (combined with Enhanced Vehicle Title Fees) equal amount of fuel taxes paid by average motorist
2. Significant short-term yield; Captures all highway users; Ability to charge more for different MPG tiers enables greater yields and equity.
3. Again, opportunity to capture revenue from high mileage vehicles to support Oregon roadways



4. Same as above.
5. Has the ability to capture high MPG vehicles and yields more equitably.

**Yellow Light (would support depending on policy choices): 27% (4)**

1. Support is dependent on how this tool is implemented, and where and how the revenue is spent. Ensure that funding is fair and sustainable. Incentivize cleaner, safer transportation choices. Be progressive and assign burdens/benefits equitably. Reinvest in the comprehensive, complete system we need
2. Not a strong revenue growth.

**Red Light (would not support): 13% (2)**

1. We should tax for what we want for our future. This tax is more if you drive an efficient or EV vehicle. I wholeheartedly disagree with penalizing taxpayers for doing exactly what you hope they will do.

### ***Increasing Fuels Tax***

**Green Light (would support): 60% (9)**

1. Would support small incremental increases over the space of several years - similar to HB 2017.
2. Efficient to administer, significant short-term yield.
3. Most Oregonians don't realize how little they are paying to support Oregon roads - a gas tax increase is the most efficient way to collect additional revenue
4. Commercial vehicles are currently subsidizing passenger cars in violation of our constitution, this must be remedied in the next transportation package.
5. 50/30/20 and indexed.
6. We should tax or incentivize what we want for the future. If we want people to drive more fuel-efficient vehicles, we should tax fuel. This gives the voters freedom of choice but they will pay more for the freedom to continue to drive vehicles that are not fuel efficient. If you do drive fuel efficient vehicles, this won't be that much of an impact. Also, it is a short-term fix with significant yield.
7. Short term benefit, easy to administer.

**Yellow Light (would support depending on policy choices): 27% (4)**

1. Not my first choice and only if indexed to inflation.



2. Support is dependent on how this tool is implemented, and where and how the revenue is spent. Ensure that funding is fair and sustainable. Incentivize cleaner, safer transportation choices. Be progressive and assign burdens/benefits equitably. Reinvest in the comprehensive, complete system we need
3. Only would support if it is tied to taxes/fees of electric/hybrid vehicles.
4. Depends on how EV/Hybrid are addressed.

**Red Light (would not support): 7% (1)**

1. Would only support if there was a way to also support capturing EV.

### ***Increasing Plate Manufacturing Fees***

**Green Light (would support): 47% (7)**

1. Easy to administer; reasonable yield.
2. Same as first reason - we need to explore outside revenue, though it will be de minimis
3. Easy to administer.

**Yellow Light (would support depending on policy choices): 33% (5)**

1. Would support if the costs of manufacturing and administration of plate distribution have surpassed the current fees. Program should be cost neutral, except for specialty plates, which can bring in additional revenue.
2. Relatively little revenue opportunity.
3. Support is dependent on how this tool is implemented, and where and how the revenue is spent. Ensure that funding is fair and sustainable. Incentivize cleaner, safer transportation choices. Be progressive and assign burdens/benefits equitably. Reinvest in the comprehensive, complete system we need.
4. Good for a reasonable yield, but it will be a flat revenue source. Need to make sure we don't have a lot of small dings on consumers.

**Red Light (would not support): 7% (1)**

*[workgroup members who selected this option did not leave comments]*

### ***Increasing Vehicle Use Tax***

**Green Light (would support): 47% (7)**

1. Easy to administer; increasing revenue source (3%/year).



2. Should mirror any increase in privilege tax rates
3. Creating parity for vehicles purchased out-of-state makes sense to privilege tax in state purchases are subject to.
4. This is more equitable as those using the roads the most pay their share.
5. This addresses equity - those who drive the most pay the most.

**Yellow Light (would support depending on policy choices): 40% (6)**

1. Not sure the ROI is there....
2. If this is referring to Transportation Utility Fees - where fees are based on vehicle trip generation rates or vehicle miles traveled, then this is typically a revenue source for local jurisdictions and should not be pre-empted or overtaken by the State. If this is referring to a different funding source, then "No Preference."
3. Support is dependent on how this tool is implemented, and where and how the revenue is spent. Ensure that funding is fair and sustainable. Incentivize cleaner, safer transportation choices. Be progressive and assign burdens/benefits equitably. Reinvest in the comprehensive, complete system we need.
4. Support it, but it is a low yield choice.

### ***Light Vehicle Trip Permits***

**Green Light (would support): 47% (7)**

1. Would support small increases incrementally over several years.
2. Easy to administer.
3. It makes sense to provide a path for unregistered vehicles to be used for a short-term basis.
4. Again, tax what you support. You want vehicles to be registered so make it more expensive for the temporary plates.
5. Easy to increase.

**Yellow Light (would support depending on policy choices): 33% (5)**

1. Very little revenue opportunity.
2. Support is dependent on how this tool is implemented, and where and how the revenue is spent. Ensure that funding is fair and sustainable. Incentivize cleaner, safer transportation choices. Be progressive and assign burdens/benefits equitably. Reinvest in the comprehensive, complete system we need.





**Red Light (would not support): 7% (1)**

*[workgroup members who selected this option did not leave comments]*

***Non-commercial Driver License Fees***

**Green Light (would support): 47% (7)**

1. Would support small increases incrementally over the space of several years.
2. Easy to administer.
3. DMV should be self-supporting - need to redirect DMV fees back to support the agency
4. Provided it's small, I think this makes sense as there is a cost to provide this service, and we need to diversify revenue.
5. Small cost to drivers, easy to administer.

**Yellow Light (would support depending on policy choices): 20% (3)**

1. Support is dependent on how this tool is implemented, and where and how the revenue is spent. Ensure that funding is fair and sustainable. Incentivize cleaner, safer transportation choices. Be progressive and assign burdens/benefits equitably. Reinvest in the comprehensive, complete system we need.

**Red Light (would not support): 20% (3)**

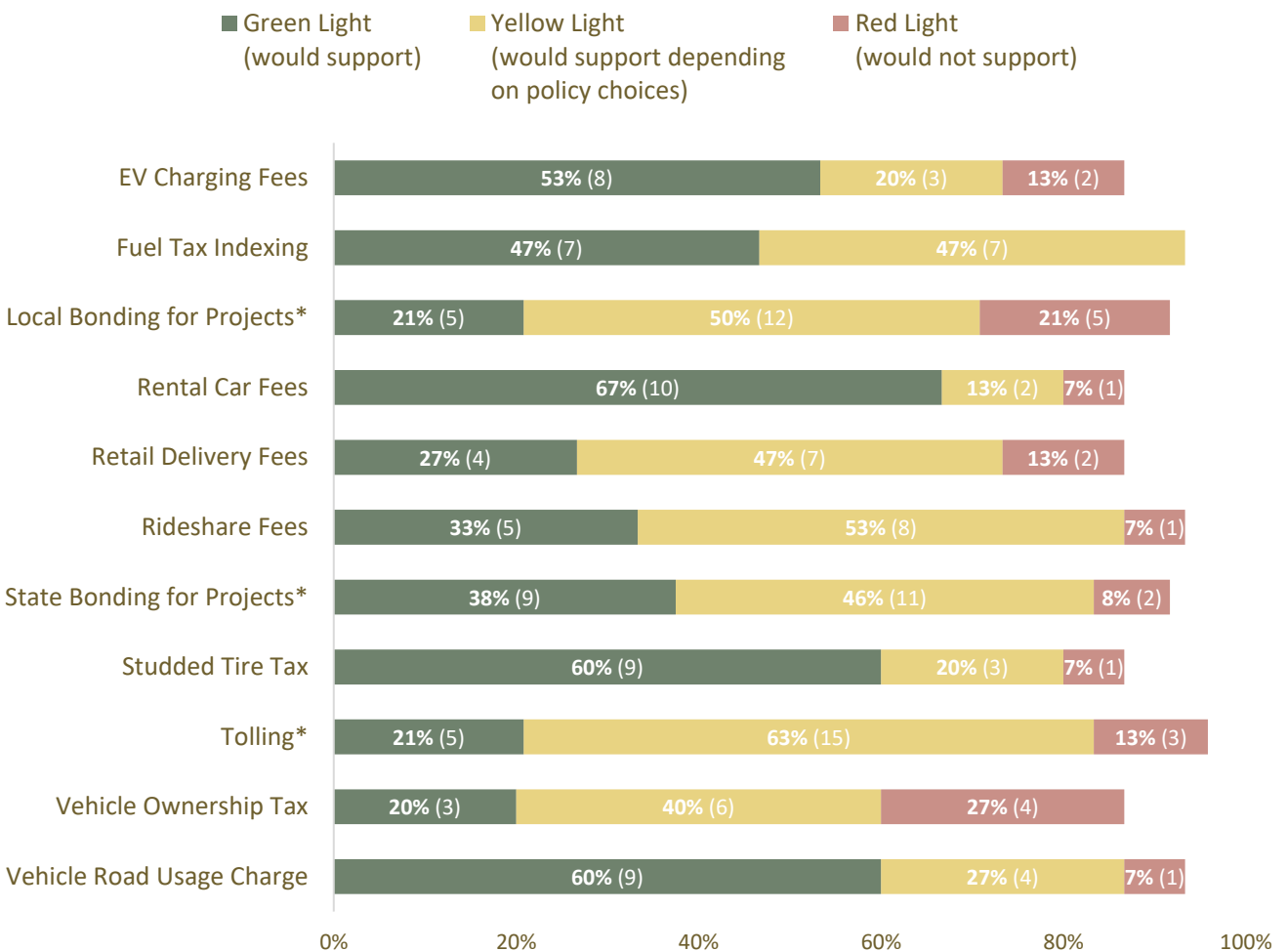
1. These fees are already high for many residents.



## Medium- and Long-Term Revenue Sources

This section includes a chart summarizing workgroup members' level of support for each revenue source, followed by listings of their comments for choosing their support rating. The revenue sources marked with an asterisk (\*) were asked of all workgroup members (n=24); all other revenue sources were only asked of workgroup members who are not joint members of workgroup one (n=15).

Chart 3: Workgroup members' level of support for medium- and long-term revenue sources.



Source: Legislative Policy and Research Office analysis.

Note: The revenue sources marked with an asterisk (\*) were asked of all workgroup members (n=24); all other revenue sources were only asked of workgroup members who are not joint members of workgroup one (n=15). Rows do not add up to 100% if any workgroup members did not rate the revenue source.



## *EV Charging Fees*

### **Green Light (would support): 53% (8)**

1. Would support if charged at public or non-residential private charging locations for EVs not registered in the State of Oregon.
2. EV charging fees should be equitable to a user pay system, and equivalent damage to infrastructure, balanced with Enhanced Passenger Registration Fees or Vehicle Road Usage Charge. EV charging fees should be assessed and used to provide additional charging stations and for maintenance of all charging stations.
3. Energy sources powering vehicles should be taxed identically and EV's could be paying into the Highway Fund through a tax on the electricity utilized to power them. My understanding is that the power companies can identify power used for EV charging at homes and could be charged with collecting this tax.
4. we are going to lose tax revenue as OR gov't is mandating EVs - if we don't tax electricity the same as fuel, we will lose revenue
5. should not be subsidized and ideally equitable.
6. I support - these vehicles need to pay their share for using the roadways.

### **Yellow Light (would support depending on policy choices): 20% (3)**

1. Maybe if indexed, but feels like the next generation repeat of a gas tax. As efficiency of EVs increase this revenue would decline.
2. Support is dependent on how this tool is implemented, and where and how the revenue is spent. Ensure that funding is fair and sustainable. Incentivize cleaner, safer transportation choices. Be progressive and assign burdens/benefits equitably. Reinvest in the comprehensive, complete system we need
3. If this is taxed at a retail establishment or public charging station I support it 100%. I do not support it if it is somehow taxed on people's residential electric bill. If EV users charge somewhere other than their home, they should pay taxes just as gasoline fuel is taxed.

### **Red Light (would not support): 13% (2)**

1. This is behavior we should encourage.



## *Fuel Tax Indexing*

### **Green Light (would support): 47% (7)**

1. Would support if properly substantiated by consumer price index or similar index and possibly with a cap on how much can be increased in a single year. Very much in favor of a well-managed and logical indexing process.
2. Efficient to administer; Significant short-term yield; Mitigates impacts of inflation; Ability to set floor and ceiling; Highway Construction Cost Index is a better reflection of cost increases in this sector than the general Consumer Price Index. Indexing to inflation should be evaluated for all SHF fees and taxes, not only fuel taxes.
3. Should be indexing all fees, incremental increases overtime, better than big hike staggered overtime.
4. This is the first thing that should be done. Makes sense to index. Fuel is already taxed, is efficient to administer, good yield and is sensible.

### **Yellow Light (would support depending on policy choices): 47% (7)**

1. Plus - would limit need for additional transportation packages that are hard to get passed. Con - would limit the Legislature's oversight of how ODOT is utilizing their funding stream.
2. This would depend on a number of variables before I would support this concept. First ODOT must show transparency and efficiency with use of its revenue. Also, a straight CPI with no cap could be politically perilous in high inflationary times like right now
3. complicated and connected to usage
4. There needs to be accountability measures in place. Should also be factored into other mechanisms that ensure equitable outcomes.
5. Depending on how it would work.

## *Local Bonding for Projects \**

### **Green Light (would support): 21% (5)**

1. This is commonly done in other states with success.
2. Need all the money we can find, bonding is a relatively "easy" one.



### **Yellow Light (would support depending on policy choices): 50% (12)**

1. Not ideal to borrow against a future that is already bleak. But bonding against the new revenue would be less worse.
2. Cities and counties should continue to have the ability to bond for their own transportation projects on their own streets and roads. Local bonding should not be required for projects on the State highway system.
3. Where existing revenues are insufficient for maintaining, rehabilitating and expanding the transportation system, local financing initiatives could provide additional funding to address mobility and safety needs.
4. Not sure what this would entail.
5. It depends on what standards are attached to the bond. If costs will be cut on the backs of workers, we will not support.
6. It would depend on the local mechanism to finance, as well as what it finances.
7. Need to see how the package fleshes out in session
8. Depends on the local support. If voted by locals, then support
9. We need to be conscientious about bonding capacity and the long-term impacts of bonding.

### **Red Light (would not support): 21% (5)**

1. ODOT should pay for the infrastructure it owns.
2. If we were to go into more debt right now for transportation, it should be for transformative public and active transportation projects - not roadway expansions for drivers. Support is dependent on how this tool is implemented, and where and how the revenue is spent. Ensure that funding is fair and sustainable. Incentivize cleaner, safer transportation choices. Be progressive and assign burdens/benefits equitably. Reinvest in the comprehensive, complete system we need.
3. Have issues with fairness and equity especially as it relates to state facilities and responsibilities.

## ***Rental Car Fees***

### **Green Light (would support): 67% (10)**

1. This adds to congestion.



2. I frankly thought this was already law. Plenty of precedent for this. But again, needs to be low, as there already so many local fees attached to car rentals. It's like hotel fees. Politically, it's an easy target, but do it too much and people start going elsewhere.
3. Good way to capture road usage of out-of-town guests.
4. No local preemption
5. Of the options - this one should be at the high on the list. Full support.

**Yellow Light (would support depending on policy choices): 13% (2)**

1. Funding source should be reserved for local cities and counties, as is currently occurring. There should not be a competing statewide rental car fee.
2. Support is dependent on how this tool is implemented, and where and how the revenue is spent. Ensure that funding is fair and sustainable. Incentivize cleaner, safer transportation choices. Be progressive and assign burdens/benefits equitably. Reinvest in the comprehensive, complete system we need.

**Red Light (would not support): 7% (1)**

1. Rental cars are already paying registration fees and users are paying fuel taxes so this would be an additional charge that isn't commensurate with other vehicles.

## ***Retail Delivery Fees***

**Green Light (would support): 27% (4)**

1. This adds to congestion.
2. Should be assessed per delivery with an equity lens; possibly exempting groceries/medications. Consider a tiered fee based on total sale.
3. Tax for what you want, if there were a fee for each delivery people would be more deliberate with their orders. Especially Amazon orders where shipping is free for Prime members. In essence, this is a road usage fee.

**Yellow Light (would support depending on policy choices): 47% (7)**

1. Would support implementing a new fee on retail deliveries if the funding allocation formula was flipped to favor cities and counties, since the majority of these trips and majority of the length of these trips occur on local streets and roadways and not the State Highway System.





2. Depending on the threshold and amount, this could have a discriminatory impact on some retailers and consumers. It is also imperative that Oregon not try to mandate delivery companies collect this fee - it must be collected at the point of sale or else it won't work, and would simply divert volume to the USPS, which is exempt.
3. Support is dependent on how this tool is implemented, and where and how the revenue is spent. Ensure that funding is fair and sustainable. Incentivize cleaner, safer transportation choices. Be progressive and assign burdens/benefits equitably. Reinvest in the comprehensive, complete system we need
4. Question this as a state revenue source when primarily on city roads-jurisdictional issues.

**Red Light (would not support): 13% (2)**

1. Very inefficient form of taxation that isn't as easily utilized in a state with no sales tax.

### ***Rideshare Fees***

**Green Light (would support): 33% (5)**

1. This adds to congestion.
2. I completely support this. Rideshare takes people off of public transit and puts people back in individual cars. While convenient, they do not reduce congestion. I would put a smaller fee on more fuel efficient and EV. Instead of taxing EVs more, we should be taxing them less and finding other places (gas, oil, tires) that are not good for the environment/congestion to tax. Also should tax rideshares/cabs so people take public transit which is publicly subsidized.

**Yellow Light (would support depending on policy choices): 53% (8)**

1. If the ROI is there. Seems like a lot of effort to spin up this program.
2. Funding source should be reserved for cities and counties, as is currently occurring in some locations.
3. I also thought this was already law. I suppose it would depend on amount - sort of like rental cars. there are already a lot of added fees attached this service. need to be careful here.
4. Support is dependent on how this tool is implemented, and where and how the revenue is spent. Ensure that funding is fair and sustainable. Incentivize cleaner, safer transportation choices. Be progressive and assign burdens/benefits equitably. Reinvest in the comprehensive, complete system we need



5. Question this as a state revenue source when primarily on city roads-jurisdictional issues.

**Red Light (would not support): 7% (1)**

1. Again, very inefficient form of taxation.

### ***State Bonding for Projects \****

**Green Light (would support): 38% (9)**

1. As long as the state maintains a high bond rating, utilizing bonding for major projects in certain instances is ideal.
2. Other states do this and it seems to work
3. Relatively speaking, bonding is easy money and we need lots of cash
4. Same as above.

**Yellow Light (would support depending on policy choices): 46% (11)**

1. As a last resort.
2. Not ideal to borrow against a future that is already bleak. But bonding against the new revenue would be less worse.
3. State of Oregon should pursue a reasonable and prudent amount of bonding for capital projects. However, debt service should not negatively impact the funding sent through the 50-30-20 State Highway Fund allocation formula.
4. Where existing revenues are insufficient for maintaining, rehabilitating and expanding the transportation system, local financing initiatives could provide additional funding to address mobility and safety needs.
5. It depends on what standards are attached to the bond. If costs will be cut on the backs of workers, we will not support.
6. It depends on the repayment mechanism, the total amount of bonding, what the bonding is for, and how that interacts with existing bonding obligations. I am also nervous that the use of bonding, for example with HUTR bonds, has spurred spending decisions without solvent revenue pathways.
7. Support is dependent on how this tool is implemented, and where and how the revenue is spent. Ensure that funding is fair and sustainable. Incentivize cleaner, safer transportation choices. Be progressive and assign burdens/benefits equitably. Reinvest in the comprehensive, complete system we need



8. We need to be conscientious about bonding capacity and the long-term impacts of bonding.

**Red Light (would not support): 8% (2)**

1. If we were to go into more debt right now for transportation, it should be for transformative public and active transportation projects - not roadway expansions for drivers. Support is dependent on how this tool is implemented, and where and how the revenue is spent. Ensure that funding is fair and sustainable. Incentivize cleaner, safer transportation choices. Be progressive and assign burdens/benefits equitably. Reinvest in the comprehensive, complete system we need.

### *Studded Tire Tax*

**Green Light (would support): 60% (9)**

1. I live in a studded tire zone and they do a lot of damage to streets.
2. Provides revenue to possibly mitigate pavement damage from studded tires. Make the studded tire tax high enough so that they are more expensive than the newer technology stud-less tires to incentivize people to move to the stud-less tires.
3. Studded tires impact road conditions and should help to bear the cost of maintenance and preventative care.
4. provided it is reasonable, it makes sense, as they tend to cause more road damage
5. Why just studded tire tax? If we are looking for ways to capture revenue that is tied to road usage, tires would be a good option. Tires need to be replaced every X miles so it is tied to usage, the tax would be tied to the purchase so those who could afford more expensive tires would pay more. Studded tires are harder on the roadways so those could be taxed higher than everyday tires.
6. User based, and can be fairly associated to the damage of roadways.

**Yellow Light (would support depending on policy choices): 20% (3)**

1. If the ROI is there. This is an obvious one in a lot of ways because the direct link between use and increased maintenance.
2. My concern is that this will impact the rural areas of the state more than urban centers.

**Red Light (would not support): 7% (1)**

1. Winter tire technology has improved to the point that there are very few traditional studded tires sold in the state relative to the past. Not worth the political capital and



administrative costs to pursue this funding source. If pursued, the proceeds should be directed to pavement preservation.

## *Tolling \**

### **Green Light (would support): 21% (5)**

1. Needed to reduce congestion.
2. I think this is an essential component of any sustainable revenue plan into the future. Pay to use. Oregonians have been insulated from the actual costs of the infrastructure we use every day.
3. We would support tolling to fund projects.

### **Yellow Light (would support depending on policy choices): 63% (15)**

1. Strongest support for project specific tolling such as for bridges, tunnels, or special express lanes. Lesser support for tolls on all users of a freeway as a form of mandatory congestion management. Concerns about traffic diversion onto nearby local streets a major issue.
2. I would not support the existing plan of tolling to raise money to pay for freeway expansions. I would support tolling (value pricing) as congestion management with that money being redirected towards diversion mitigation, transit and active transportation, etc. Support is dependent on how this tool is implemented, and where and how the revenue is spent. Ensure that funding is fair and sustainable. Incentivize cleaner, safer transportation choices. Be progressive and assign burdens/benefits equitably. Reinvest in the comprehensive, complete system we need.
3. Tolling should only be used to pay for the costs of a project and one or more non-tolled lanes should be made available where possible.
4. Construction-based tolling at reasonable rates is an efficient way to pay for major road improvements. Congestion pricing leads to diversion, increased cost to commercial vehicles without a way to recoup the cost.
5. This is an important tool to raise funds we need to be looking at. This is something we would be supportive of generally, but we need to see policy and language first before a green light.



6. This issue is greatly complicated and unpopular, but, many HB 2017 project funding was predicated on tolling revenues, despite the intention being for congestion management, even if those two things run conversely.
7. Provided it goes to pay for the maintenance and preservation or simply construction of the project. I do not support congestion pricing which unfairly targets trucking, which has the least amount of discretion of when it travels toll roads.
8. Support is dependent on how this tool is implemented, and where and how the revenue is spent. Ensure that funding is fair and sustainable. Incentivize cleaner, safer transportation choices. Be progressive and assign burdens/benefits equitably. Reinvest in the comprehensive, complete system we need
9. I do not support tolling roads that are already built and paid for. Tolling new construction, roads, bridges or whatnot, is entirely different.
10. I'm fine with tolling new construction if it's announced ahead of time (roads, bridges, etc.). Firmly against tolling anything that's already been paid for by our parents and grandparents (i.e. Interstate freeways)
11. Must have local buy-in.
12. Tolling is a good income source and a good way to control congestion. However, there has to be a lot of thought on diversion and preferably a good way to fund transit as a diversion tool.
13. Construction Cost Index should be used for establishing a sustainable funding system moving forward. Preserve constitutional provisions for State Highway Fund usage.

**Red Light (would not support): 13% (3)**

1. This should be only considered for facilities such as the IBR where travelers from another state are paying their share and only if diversion can be resolved. It is not honest or practical to toll if diversion redirects motorists to other roads and local neighborhoods. Too dangerous, too expensive.
2. Do not support tolling as it would have the effective of moving traffic onto local roads already stressed.
3. Would force traffic onto local roadways already stressed.

### ***Vehicle Ownership Tax***

**Green Light (would support): 20% (3)**



1. Large trucks and heavy EVs should be taxed as they do the most wear & tear and present safety hazards for everyone not inside a vehicle.
2. Significant revenue potential; Closely mirrors existing tax (privilege/use tax); Influenced by changes in population, economic activity, and vehicle prices; More inflation resilient. Rates could be tied to specific vehicle characteristics like weight.

**Yellow Light (would support depending on policy choices): 40% (6)**

1. This tax would have to overcome the legal construct of a sales tax. If that is possible, then the tax would need to be a reasonable amount in line with other states around the country, based on the value of the vehicle upon time of purchase.
2. I don't understand this enough and how it differs from a registration fee or purchase tax.
3. Support is dependent on how this tool is implemented, and where and how the revenue is spent. Ensure that funding is fair and sustainable. Incentivize cleaner, safer transportation choices. Be progressive and assign burdens/benefits equitably. Reinvest in the comprehensive, complete system we need
4. I don't recall the discussion of this tax and couldn't find it in the presentation.

**Red Light (would not support): 27% (4)**

1. The prospect of penalizing car ownership runs counter to the idea that we need to have revenue to maintain our roads by penalizing car ownership.
2. This is not equitable.

### ***Vehicle Road Usage Charge***

**Green Light (would support): 60% (9)**

1. Start sooner than later so we can ramp up to more sustainable revenue. It is the same principle as tolling... pay to use.
2. Would strongly support a well-crafted and defensible vehicle road usage charge as a means to capture true use of the road system regardless of fuel used or efficiency of the motor.
3. Mitigates decline in fuel tax; Provides greater parity between vehicle MPG classes; Enhances sustainability.
4. Shares the expense based on usage of the infrastructure
5. Need to get started on infrastructure/administration, waiting to start only sets the state further behind.



6. The best mechanism of all, it is equitable and tied directly to usage. rates can be programmed to specific facilities and regions.
7. Of the options - this one should be at the top of the list. This approach is more equitable and those that use the roads pay for their use independent of the vehicle type.
8. Should be top of the list of any new fees.

**Yellow Light (would support depending on policy choices): 27% (4)**

1. Very inefficient form of taxation that is subject to high rates of evasion.
2. Support is dependent on how this tool is implemented, and where and how the revenue is spent. Ensure that funding is fair and sustainable. Incentivize cleaner, safer transportation choices. Be progressive and assign burdens/benefits equitably. Reinvest in the comprehensive, complete system we need
3. Opposed to devices plugged into vehicles or on-board telematics. A photo or mileage-based fee paid at registration would be ok but will be abused. Very much opposed to the "big brother" feeling of vehicle road use.

**Red Light (would not support): 7% (1)**

1. I cast this red and not yellow simply because it won't work if only one state is doing it - the cost of administration is probably about 20 times higher than administration of a fuel tax, therefore in order to keep it revenue neutral, it will have to be at least 20% more expensive than the equivalent fuel tax right now, if not much, much more. just like an EV mandate, this just isn't logistically practical at this moment as a realistic solution.

**Is there another revenue source that was not discussed in the workgroup?  
What is it? (write N/A if you believe all solid potential revenue sources  
were covered in the workgroup)**

1. Someone in WG3 mentioned a basic tire fee. That could be another way to get at the notion of pay to use...
2. An additional revenue source that could be explored is a congestion pricing system in urban areas. This approach charges drivers a fee for using certain high-demand roadways during peak hours, incentivizing off-peak travel, carpooling, or the use of alternative transportation modes.





3. Congestion pricing has proven effective in cities like London and Singapore, generating significant revenue while reducing traffic congestion and emissions. These funds can be dedicated to transportation maintenance, preservation, and investment in public transit infrastructure.
4. Additionally, implementing a vehicle miles traveled (VMT) fee statewide could complement the existing fuel tax. As fuel efficiency increases and electric vehicles become more prevalent, a VMT fee ensures all road users contribute equitably to the upkeep of transportation infrastructure based on usage.
5. Local-option transportation taxes, such as sales taxes or special district assessments, could also be considered to supplement state funding, allowing communities to address specific regional needs while maintaining state-level priorities.
6. Finally, carbon offset programs or partnerships with private sectors investing in green initiatives could create supplementary funding streams for projects that promote sustainable and efficient transportation solutions."
7. Oregon is investing significant revenue to road costs that benefit bikes and pedestrian usage (i.e. curb cuts) and these costs should not be borne by cars and trucks. The Legislature needs to reprioritize general fund revenue to supporting these efforts if investing in these types of projects is a desired goal. Also, bike projects are expensive and they contribute little revenue - a straight bicycle tax based on the value of the sales transaction (sales tax) should be implemented on ALL bicycle sales and these revenues tracked so that proportionate investment in these types of projects is made.
8. N/A
9. A significant number of these revenue sources go towards the State Highway Fund, which is limited as to how it can be spent. There is a real need to increase revenue for STIF, so as our state grows, we can mitigate the burden on our system through more efficient transportation solutions.
10. N/A
11. I mentioned all tires, not just studded in one of my responses. I also mentioned several times that I feel the approach should be one that incentivizes what we want for our future. I understand where the idea comes from for the enhanced fees and to make EVs



at a higher fee, however we want EVs so taxing them at higher rates is counterproductive. We also have to be careful not to implement taxes that are disproportionate such as higher registration fees for EVs AND taxing EV charging. Oregonians have felt the burden of inflation in recent years so although a lot of the smaller fees (increased fuel/registration) seem logical I would not do that unless it is absolutely necessary. After really examining these options these are the ones that I would prioritize: vehicle use fees to capture out of state sales; Fuel tax index; retail delivery fee, rideshare fee. Road use I support using the voluntary method that is currently used. Charging tax if at a retail establishment or public charging station; fuel tax increase if absolutely necessary before the index adjustment.

12. There should be consideration of a mechanism that captures out of state motorists and users (State entry FEE "SEF"). If every entry point into Oregon had a charge associated with it would help capture the impacts of road usage. When the RUC system is implemented out of state motorists that frequently enter the state could register into the RUC system and have their SEF fee waived, this would be fair to Washington state citizens who work in Oregon.
13. N/A
14. N/A



## Appendix A – Survey Instrument

*[Note: Some members of workgroup three were also members of workgroup one. For these joint members, the survey only included the questions marked with an asterisk (\*) to avoid redundancy with the workgroup one survey.]*

**Instructions:** This survey will be issued to each member of Workgroup Three. Alternates should not take this survey unless their primary member cannot. This survey will be added as an appendix to the Report Out form for Workgroup Three. The Report Out Form will be given to members of the Joint Committee on Transportation.

### 2017 Priority Projects

1. What public education elements do you think would help further public understanding of the 2017 priority projects? \*
2. If you had to choose, which priority would be more important to you at this moment? *(select one)* \*
  - A tolling system where the primary goal is to raise revenue for the project area.
  - A tolling system where the primary goal is to manage congestion.
3. How do we make sure we have enough resources in the State Highway Fund dedicated to preservation and maintenance?
4. In your mind, what would a balanced multi-modal transportation system look like?

### Short-Term Revenue

Please review the following potential revenue sources for the short term. *If you forgot the premise behind these revenue sources, please go to the workgroup website and re-watch the November 21st meeting.*

#### 1. Increasing Fuels Tax

- a. Support Rating *(select one)*
  - Red Light (would not support)
  - Yellow Light (would support depending on policy choices)
  - Green Light (would support)
- b. Why did you choose that support rating?



## **2. Increasing Base Passenger Registration Fees**

- a. Support Rating (*select one*)
  - Red Light (would not support)
  - Yellow Light (would support depending on policy choices)
  - Green Light (would support)
- b. Why did you choose that support rating?

## **3. Increasing Enhanced Passenger Registration Fees**

- a. Support Rating (*select one*)
  - Red Light (would not support)
  - Yellow Light (would support depending on policy choices)
  - Green Light (would support)
- b. Why did you choose that support rating?

## **4. Increasing Base Light Title Fees**

- a. Support Rating (*select one*)
  - Red Light (would not support)
  - Yellow Light (would support depending on policy choices)
  - Green Light (would support)
- b. Why did you choose that support rating?

## **5. Increasing Enhanced Light Vehicle Title Fee**

- a. Support Rating (*select one*)
  - Red Light (would not support)
  - Yellow Light (would support depending on policy choices)
  - Green Light (would support)
- b. Why did you choose that support rating?

## **6. Non-commercial Driver License Fees**

- a. Support Rating (*select one*)
  - Red Light (would not support)
  - Yellow Light (would support depending on policy choices)
  - Green Light (would support)
- b. Why did you choose that support rating?



## **7. Increasing Plate Manufacturing Fee**

- a. Support Rating (*select one*)
  - Red Light (would not support)
  - Yellow Light (would support depending on policy choices)
  - Green Light (would support)
- b. Why did you choose that support rating?

## **8. Light Vehicle Trip Permits**

- a. Support Rating (*select one*)
  - Red Light (would not support)
  - Yellow Light (would support depending on policy choices)
  - Green Light (would support)
- b. Why did you choose that support rating?

## **9. Increasing Vehicle Use Tax**

- a. Support Rating (*select one*)
  - Red Light (would not support)
  - Yellow Light (would support depending on policy choices)
  - Green Light (would support)
- b. Why did you choose that support rating?

## **Medium- and Long-Term Revenue**

Please review the following potential revenue sources for the medium and long term. *If you forgot the premise behind these revenue sources, please go to the workgroup website and re-watch the November 21st and December 5th meetings.*

## **10. Tolling \***

- a. Support Rating (*select one*)
  - Red Light (would not support)
  - Yellow Light (would support depending on policy choices)
  - Green Light (would support)
- b. Why did you choose that support rating?

## **11. State Bonding for Projects \***

- a. Support Rating (*select one*)



- Red Light (would not support)
- Yellow Light (would support depending on policy choices)
- Green Light (would support)

b. Why did you choose that support rating?

## **12. Local Bonding for Projects \***

a. Support Rating (*select one*)

- Red Light (would not support)
- Yellow Light (would support depending on policy choices)
- Green Light (would support)

b. Why did you choose that support rating?

## **13. Vehicle Road Usage Charge**

a. Support Rating (*select one*)

- Red Light (would not support)
- Yellow Light (would support depending on policy choices)
- Green Light (would support)

b. Why did you choose that support rating?

## **14. Fuel Tax Indexing**

a. Support Rating (*select one*)

- Red Light (would not support)
- Yellow Light (would support depending on policy choices)
- Green Light (would support)

b. Why did you choose that support rating?

## **15. Retail Delivery Fees**

a. Support Rating (*select one*)

- Red Light (would not support)
- Yellow Light (would support depending on policy choices)
- Green Light (would support)

b. Why did you choose that support rating?

## **16. Rideshare Fees**

a. Support Rating (*select one*)



- Red Light (would not support)
- Yellow Light (would support depending on policy choices)
- Green Light (would support)

b. Why did you choose that support rating?

### **17. EV Charging Fees**

- a. Support Rating (*select one*)
- Red Light (would not support)
  - Yellow Light (would support depending on policy choices)
  - Green Light (would support)

b. Why did you choose that support rating?

### **18. Rental Car Fees**

- a. Support Rating (*select one*)
- Red Light (would not support)
  - Yellow Light (would support depending on policy choices)
  - Green Light (would support)

b. Why did you choose that support rating?

### **19. Studded Tire Tax**

- a. Support Rating (*select one*)
- Red Light (would not support)
  - Yellow Light (would support depending on policy choices)
  - Green Light (would support)

b. Why did you choose that support rating?

### **20. Vehicle Ownership Tax**

- a. Support Rating (*select one*)
- Red Light (would not support)
  - Yellow Light (would support depending on policy choices)
  - Green Light (would support)

b. Why did you choose that support rating?





**Is there another revenue source that was not discussed in the workgroup? What is it?**  
*(Write N/A if you believe all solid potential revenue sources were covered in the workgroup)*