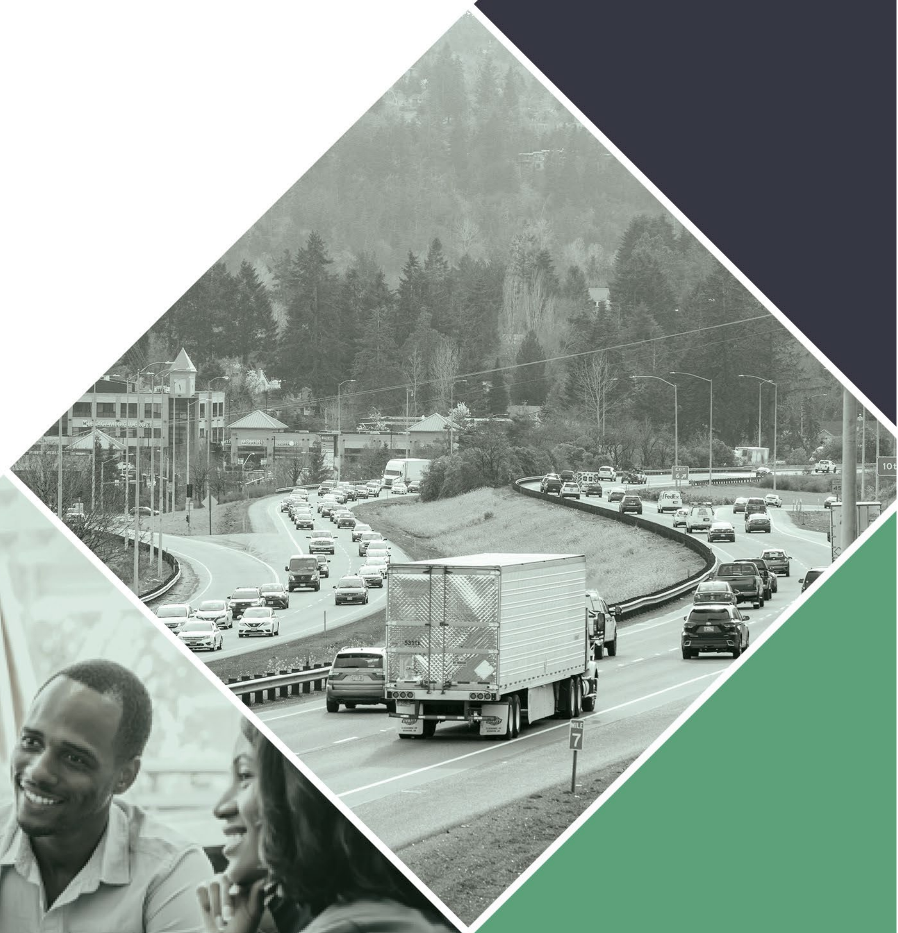
Oregon Toll Program

Draft Low-Income Toll Report:
Options to Establish Toll Benefits for Drivers Experiencing Low Incomes

A Report to the Oregon Legislature

June 27, 2022



Urban Mobility
STRATEGY

Oregon
Department
of Transportation

Draft Low-Income Toll Report

Options to Establish Toll Benefits for Drivers Experiencing Low Incomes

A Report to the Oregon Legislature

June 27, 2022

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Oregon Department of Transportation

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Acronyms and Abbreviations

Acronym/Abbreviation	Definition
ALICE	Asset Limited, Income Constrained, Employed
BIPOC	Black, indigenous, and people of color
DMV	Oregon Driver and Motor Vehicle Services
EMAC	Equity and Mobility Advisory Committee
FPL	federal poverty level
HB	House Bill
HUD	U.S. Department of Housing and Urban Development
NEPA	National Environmental Policy Act
ODOT	Oregon Department of Transportation
ORS	Oregon Revised Statute
OTC	Oregon Transportation Commission
SFCTA	San Francisco County Transportation Authority
SNAP	Supplemental Nutrition Assistance Program
SSS	Self-Sufficiency Standard for Oregon
T&R	traffic and revenue
TANF	Temporary Assistance for Needy Families
TIMMA	Treasure Island Mobility Management Agency
TriMet	Tri-County Metropolitan Transportation District of Oregon
VDOT	Virginia Department of Transportation
VOT	value of time

1 Executive Summary

The Draft Low-Income Toll Report for the Oregon Toll Program was conducted by the Oregon Department of Transportation (ODOT) at the direction of the Oregon Legislature. The full report identifies options for consideration on the thresholds and benefits for a low-income toll rate, as well as proposed implementation practices for an equitable, inclusive toll system. The options for consideration ("options") and proposed implementation practices are intended to start on or before day one of tolling, which is planned for the end of 2024. ODOT will finalize the report and present it to the Oregon Transportation Commission (OTC) and Oregon Legislature by September 2022, as required by House Bill 3055.

This report is a culmination of the work ODOT and the OTC have been working on for multiple years regarding how to best address the impacts of the proposed toll projects on people experiencing low incomes. In combination with the Oregon Highway Plan update and coordination and collaboration with the Oregon Toll Program's Equity and Mobility Advisory Committee (EMAC), this report is part of a larger ODOT and OTC effort to initiate the Oregon Toll Program in a way that does not disproportionately burden, but rather benefits, people experiencing low incomes and that recognizes that past land use and transportation investments in the Portland metro area—including highway investments—have resulted in negative cultural, economic, and relational impacts on local communities and populations.

The draft report summarizes the engagement, analysis, and research conducted thus far to inform the options for consideration and implementation practices. Focused engagement with the OTC, stakeholders, and the public will occur throughout summer 2022 to further inform and refine the options for consideration and implementation practices presented in the final report.

1.1 Options for Consideration

Provide a significant discount (e.g. credits, free trips, percentage discount, or full exemption) for households equal to or below 200% Federal Poverty Level.

People experiencing low incomes have difficulty meeting basic needs such as paying for food, shelter, clothing, and healthcare. A sizable discount (e.g. credits, free trips, percentage discount, or full exemption) would alleviate the burden of choosing between paying a toll and meeting those basic needs. EMAC supports a sizable discount for households equal to or below 200% federal poverty level (FPL). Furthermore, research and stakeholder engagement shows that the 200% FPL threshold is commonly used to determine eligibility for existing low-income benefits programs in Oregon and nationally.

Provide a smaller, more focused discount (e.g. credits or free trips) for households above 201% and up to 400% of the Federal Poverty Level.

People experiencing incomes equal to and between 201% and 400% FPL still struggle to meet basic needs, despite having slightly higher incomes. Providing a more focused discount (e.g. credits or free trips) for this income group would alleviate the burden of additional transportation expenses. Furthermore, people with incomes at or below 200% of the FPL often shift income throughout the year; this benefit allows them reassurance of continued benefits despite that movement. Respondents from the May 2022 regional online survey support providing some benefit to a range of incomes, up to 300% FPL. EMAC expressed support for providing a sizeable benefit at 200% FPL and a smaller benefit at 400% FPL. EMAC also agreed that including two income ranges to meet different needs is worth the additional complexity.

Use a certification process that leverages existing programs for verification and further explore self-certification.

Qualification through existing low-income service program(s) improves the ease of enrollment for applicants and reduces the administrative burden and data privacy risk for ODOT. Self-certification would allow applicants to certify their income without substantiating documents, potentially reducing barriers to enrollment and eliminating the need for ODOT to collect or process sensitive information. However, additional research is needed to understand the potential risk -and impact of program fraud related to self-certification, and the efficacy and tradeoffs of fraud prevention strategies. EMAC strongly supports a self-certification model that streamlines the low-income toll program benefit enrollment process.

1.2 Proposed Implementation Practices

- Provide free transponders to people enrolled in the low-income program and community-based organizations or other groups helping to enroll people. Do not require a minimum dollar amount of balance to load or maintain the transponder account.
- Provide a cash-based option for paying tolls to reduce a barrier to enrollment among those who prefer to pay in cash.
- Conduct extensive marketing, promotion, and engagement with community-based organizations that begins at least 6 months before tolling starts. Post signage so that travelers can make informed decisions.
- Create an in-person and online enrollment process that accommodates participants with disabilities, who have limited technology access or training, and who speak languages other than English.
- Support a monitoring, review, and adjustment process for the low-income toll program that includes community voices and a process that is aligned with the Oregon Toll Program's Equity Framework.
- For people with income at 400% of the Federal Poverty Level and below, offer education opportunities, additional time to pay toll charges, multiple notices of account balances, or set a maximum penalty amount.
- Work with the toll implementation team to develop a concept of operations for the low-income toll program that includes a compliance waterfall.

1.3 Next Steps

Prior to the beginning of tolling, the OTC will establish a rate structure based on vehicle class, time of day, location and distance, and method and payment, and will include income-based adjustments. Additionally, more work is needed to identify the implementation and operations costs associated with the options for consideration and proposed implementation practices identified in this report. Wherever possible, the Low-Income Toll Program will leverage existing systems to streamline implementation and operations. Whatever low-income benefit is decided upon will be built into the back-office system before tolling goes live; a greater challenge will be messaging the low-income benefit to customers and forming creative strategies to reduce barriers to enrollment.

While the options presented in the Final Low-Income Toll Report will inform the income-based adjustments, further work and engagement is needed to define next steps after the report is submitted to the OTC and Oregon Legislature. Ultimately, decision-making authority lies the OTC and will occur through the rate-setting process after further robust public engagement and analysis of traffic and revenue impacts.

2 Introduction

This chapter introduces the purpose, legislative directive, and context for the draft report, in addition to previous work on addressing concerns about tolling related to people experiencing low incomes and the significant challenges and considerations for a low-income toll program. It also includes the engagement and decision-making plan for the program and the next steps for implementation.

2.1 Purpose

This draft report provides options for consideration and planned elements for the implementation of equitable, income-based tolls in Oregon. Tolling is planned to begin at the end of 2024 as part of the I-205 Toll Project. The Oregon Department of Transportation (ODOT) and Oregon Transportation Commission (OTC) will finalize this report during the summer 2022 and present the final report to the Oregon Legislature's Joint Committee on Transportation by September 15, 2022, as required by House Bill (HB) 3055.

This draft report is a culmination of ODOT and OTC's multiple years of work on best addressing the impacts of the proposed toll projects on people experiencing low incomes. The draft report summarizes the engagement, analysis, and research conducted thus far to inform the options for consideration and implementation practices. Additional engagement will further inform and refine the options for consideration and implementation practices presented in the final report.

2.2 Background

The following sections provide background on the legislative requirements directing this draft report, ODOT's Urban Mobility Strategy, and related work efforts leading up to the final report.

2.2.1 Legislative Requirements (HB 3055)

In 2021, the Oregon Legislature passed HB 3055, which requires ODOT to "implement a method for establishing equitable income-based toll rates" before tolling begins. The first toll project for the Oregon Toll Program is planned to begin tolling towards the end of 2024. HB 3055 also requires that ODOT produce a report on the method for establishing equitable income-based toll rates before September 15, 2022. The legislative direction for the report is as follows:

> *REPORT ON EQUITABLE INCOME-BASED TOLL RATES*
>
> *SECTION 162. (1) As used in this section, "toll" and "tollway" have the meanings given those terms in ORS [Oregon Revised Statute] 383.003.*
>
> *(2) Before the Department of Transportation assesses a toll, the department shall implement a method for establishing equitable income-based toll rates to be paid by users of tollways.*
>
> *(3) At least 90 days before the date the Oregon Transportation Commission seeks approval from the Federal Highway Administration to use the income-based toll rates developed under subsection (1) of this section, the department shall prepare and submit a report on the method developed to the Joint Committee on Transportation and the Oregon Transportation Commission. The department may also submit to the Joint Committee on Transportation any recommended legislative changes. The report*

> *shall be provided to the Joint Committee on Transportation, in the manner provided under ORS 192.245, on or before September 15, 2022.*
>
> *SECTION 163. Section 162 of this 2021 Act is repealed on January 2, 2023.*

2.2.2 ODOT's Urban Mobility Strategy

ODOT's Urban Mobility Strategy aims to improve everyday travel in the Portland area through a cohesive set of projects and investments, shown in Figure 2-1. The Urban Mobility Strategy is led by the Urban Mobility Office and primarily functions to manage traffic congestion with tolling, reduce highway bottlenecks through capital construction, and invest in multimodal transportation in ways that serve ODOT's goals of addressing equity, climate change, congestion relief, and safety.

Current core projects include I-5 Rose Quarter Improvement, I-205 Improvements Project, I-205 Toll Project, Regional Mobility Pricing Project, I-5 Boone Bridge and Seismic Improvement Project, Oregon 217 Auxiliary Lanes Project, Interstate Bridge Replacement Program, and investments in transit and rolling and pedestrian paths, all of which will contribute to building a seismically resilient and modern transportation system. As a part of these core projects, tolling will be central to ODOT's long-term strategy to manage congestion and sustainably raise revenue for roadway and multimodal investments in the Portland metropolitan area.

Oregon Toll Program

The Oregon Toll Program currently comprises two projects: the I-205 Toll Project and the Regional Mobility Pricing Project.

- **The I-205 Toll Project** would toll Interstate 205 (I-205) near the Abernethy and Tualatin River Bridges to raise revenue for construction of the planned I-205 Improvements Project and manage congestion between Stafford Road and Oregon Route 213 to give travelers a better and more reliable trip.
- **The Regional Mobility Pricing Project** would apply congestion pricing[1] on all lanes of I-5 and I-205 in the Portland metropolitan area to manage traffic congestion in a manner that will generate revenue for future transportation investments. The project area begins just south of the Columbia River and ends before the Boone Bridge over the Willamette River in Wilsonville.

While there are currently only two planned toll projects in Oregon, this report seeks to establish a broad framework that is flexible to adapt to future projects statewide yet effective and precise enough to prevent negative impacts on people experiencing low incomes when tolling begins in the Portland area.

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1 "Congestion pricing", or variable-rate tolling, describes a type of tolling that aims to improve mobility, travel times, and reliability by charging a higher price during peak traffic periods. The higher fee—typically implemented along with transit and other multimodal improvements—encourages some drivers to consider using other travel options such as carpools or transit, or to change their travel time to other, less-congested times of the day, or not to make the trip at all.

Figure 2-1. Urban Mobility Strategy Projects Map

2.2.3 Previous Work on Low-Income Tolls

ODOT and the OTC began working on how toll projects should mitigate impacts on people experiencing low incomes in 2017. Highlights of this work include the following:

- From 2017 to 2018, ODOT and the OTC convened a Policy Advisory Committee to provide input on the Value Pricing Feasibility Analysis. The Policy and Advisory Committee reviewed existing research and identified the need to address cost impacts on people experiencing low incomes as a priority strategy.
- In 2020, the OTC commissioned and chartered the Equity and Mobility Advisory Committee (EMAC) to provide recommendations on how transportation needs of and benefits for people of color and people experiencing low incomes, with limited English proficiency, or experiencing a disability who live near or travel through the project area.
- From 2020 to 2021, EMAC, with support from ODOT and the OTC, conducted extensive research on case studies of other toll programs to inform a set of performance measures for ODOT to incorporate into both toll project analysis and an initial list of policy options. In late 2021, EMAC, ODOT, and the OTC agreed on a set of Foundational Statements to address equity and mobility needs for the Oregon Toll Program, which includes providing transportation options, addressing both climate and equity needs, offering toll-free travel options, creating a user-friendly program that is in place once tolling begins, ensuring that benefits extend to southwest Washington, and coordinating with regional partners. The Foundational Statements serve as one building block for the options outlined in this draft report.
- ODOT, the Joint Policy Advisory Committee on Transportation, and Metro Council have committed to supporting a list of “Commitments for ODOT and Regional Partners” (Ordinance 21-1467) and a Letter of Agreement (dated April 25, 2022) to center equity in their process and outcomes.

This draft report is also informed by ODOT’s work in equity through the Office of Social Equity and direction identified in the *Strategic Action Plan*.

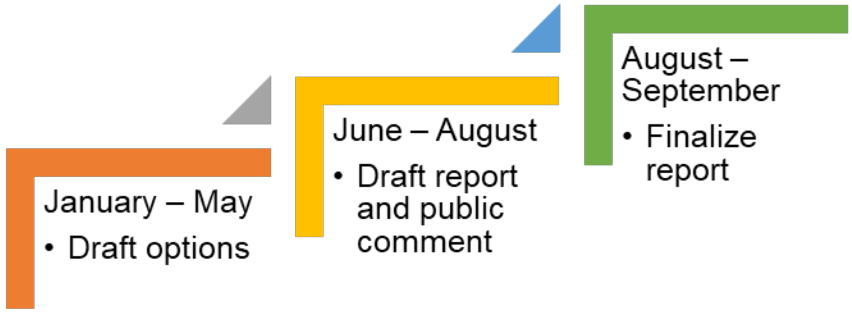
2.3 Draft Report Development and Engagement

To develop the draft report, the Project Team partnered with EMAC and engaged with the Washington State Department of Transportation (ODOT’s partner on the IBR program), social service agencies, transit and multimodal transportation providers, and statewide, local, and regional stakeholders. The Project Team also sought community input through discussion groups and an online survey. Chapter 4 details the findings of this effort and the list of stakeholders and organizations ODOT engaged with. The final report will include a full engagement summary as an appendix, including feedback received to date and results of further engagement to be conducted this in summer 2022.

2.3.1 Engagement and Decision-Making

Since tolling I-5 and I-205 in the Portland region has statewide impacts (and beyond), the Project Team strived to reach as many people as possible, conducting nine discussion groups and a community-based organization discussion with historically excluded and underserved groups, seven interviews with representatives from social service providers, and an online survey that received over 12,000 responses. To capture the robust engagement—both completed and forthcoming—the Project Team developed a three-step iterative process to develop the draft and finalize the report (Figure 2-2).

Figure 2-2. Three-Step Process for the Draft Low-Income Toll Report



Guiding Questions

The following questions were developed in coordination with EMAC and Portland regional partners to ensure that the draft report addressed the key questions we have been hearing about from the community:

- What level of income should ODOT provide a price discount from tolling?
- Should it be a partial credit, full exemption, somewhere in between, or a combination?
- How can ODOT provide toll-free travel options available to avoid further burdening people experiencing low incomes who are struggling to meet basic needs (food, shelter, clothing, healthcare)?
- Research shows that income-based toll programs are drastically under-enrolled. What are the barriers to enrollment (privacy, access, lack of information, etc.) and how can they be addressed?
- How can Oregon’s tolling be a user-friendly system that is clear and easy to use by people of all backgrounds and abilities, including linguistic diversity, and by those without internet access?
- How can benefits extend across state lines?
- Research shows that income-based toll programs are drastically under-enrolled. What are the barriers to enrollment (privacy, access, lack of information, etc.) and how can they be addressed?
- How can Oregon’s tolling be a user-friendly system that is clear and easy to use by people of all backgrounds and abilities, including linguistic diversity, and by those without internet access?
- How can benefits extend across state lines?
- This will be a new program for ODOT. What are issues that need to be addressed for administration and implementation on day 1 of tolling?
- How will this program be monitored and adjusted so that the low-income program provides easy access and low barrier for the customers experiencing low-income it was intended to benefit.

2.4 Key Terms and Concepts

The following section defines key terms and concepts for this draft report:

- Income threshold: Eligible household income for program participation (e.g., Households 0 to 100% of the federal poverty level).
- Toll Discount: A discount applied to the assessed toll for each trip (e.g., 50% discount on a $3 toll would result in the driver paying $1.50). A toll discount is applied as the trip is charged, so the driver would pay the discounted price.
- Toll Credit: A credit applied to a transponder account on a recurring basis (e.g., a $25 toll credit applied to the transponder account every 6 months).
- Free Trip(s): A set number of free trips are applied to a transponder account on a recurring basis (e.g., 10 free trips in the tolled area per month).
- Exemption: Drivers are not required to pay any toll costs.
- Income verification: The process to determine that an applicant is within the eligible income range. This can be done through providing proof of income (such as a paystubs), through enrollment in another approved low-income benefit program (such as the Supplemental Nutrition Assistance Program [SNAP]), or through self-certification (applicant through a self-attestation form).

3 Equity and Mobility Advisory Committee Input

This chapter includes an overview of the Equity and Mobility Advisory Committee (EMAC) and its role in developing the low-income toll program, including its Foundational Statements that guide the Oregon Department of Transportation's *(ODOT) work to ensure equitable mobility in the toll projects. It summarizes EMAC's recommendations on three topics: analysis of the toll projects, the low-income toll program, and operating the overall toll program. All of these recommendations are designed to center equity in the Oregon Toll Program.*

To ensure both equitable Interstate 205 (I-205) and I-5 toll projects and processes, and to help develop a framework, ODOT convened an Equity and Mobility Advisory Committee. This committee is a group of individuals with professional or lived experience in equity and mobility coming together to advise the Oregon Transportation Commission and ODOT on how tolls on the I-205 and I-5 freeways, in combination with other demand management strategies, can include benefits for populations that have been historically and are currently underrepresented or underserved by transportation projects. Among their tasks was the development of strategies to address the transportation needs of, and benefits for, people of color and people with low incomes, limited English proficiency or disabilities that live near, or travel through, the project area.

EMAC's initial work resulted in the adoption of an Equity Framework to identify the burdens and benefits of tolling and provide a process for determining how to equitably distribute those burdens and benefits from the toll projects. The Equity Framework acknowledges how past land-use and transportation investments in the Portland metropolitan area have resulted in negative cultural, health, economic, and relational impacts on the following local communities and populations:

- People experiencing low-income or economic disadvantage
- Black, indigenous, and people of color (BIPOC)
- Older adults and children
- Persons who speak non-English languages, especially those with limited English proficiency
- Persons experiencing a disability
- Other populations and communities historically excluded and underserved by transportation projects

3.1 Informing the Low-Income Toll Program

EMAC received research about toll projects and low-income programs to inform options development. Elements of these other programs that were considered by the Committee included eligibility standards, discount or credit allocations, and geographic distribution of benefit. The resulting input and the EMAC Foundational Statements provided the basis for the options for consideration and implementation practices outlined in this draft report (see Appendix A).

ODOT began to develop this draft report while the EMAC recommendations were in draft form and refined the report to reflect the final EMAC recommendations. EMAC members have also provided feedback on online survey questions, participated in discussion groups, provided input to confirm the draft report topic areas and questions, shared reactions to preliminary findings, and expressed support for the draft report options. The following sections define Equity Framework communities, outline the final EMAC recommendations, and summarize key EMAC feedback on an earlier draft of this report.

3.2 EMAC Advice and Feedback

Throughout 2021, ODOT supported EMAC with research documents that included a literature review, examples of toll projects throughout the United States, and feedback received from the community about how toll projects have address affordability. The following list provides links to these resources:

- Affordability Research
- Affordability Policy and Strategy Options (1st Round)
- Affordability Performance Measures
- Affordability Workshop (Video)

EMAC identified robust ideas during discussions relating to toll project analysis, the low-income toll program, and toll program. The following EMAC input is directly applicable to this draft report:

- Look beyond the standard federal definition of "low-income." For the toll projects' federal environmental review process (i.e., National Environmental Policy Act [NEPA]), a measure of 200% of the federal definition for poverty was assumed. This should be the baseline for future consideration. The reality is that people move below and above the federal definition for poverty in a short span of time.
- Implement an income-based toll program that is progressive in nature, meaning that higher-income drivers will pay a larger share or percentage of household income than lower-income drivers.
- In addition to drivers who are people experiencing low incomes, provide toll payment credits, exemptions, or discounts for:
  - Public transit vehicles and registered vanpools and carpools
  - Public emergency response vehicles and non-emergency medical transportation
  - Social service or nonprofit health organizations to recruit and retain volunteer drivers
- Find the right balance between discounts and/or exemptions and revenue generation to advance equity. Specifically, analyze the tradeoffs between exemptions, credits, or discounted rates based on income versus collecting the toll revenues and investing them into equity and mobility strategies. This may include an analysis of tradeoffs in the time between when I-205 tolling starts and when the regional I-5 and I-205 toll system (i.e., Regional Mobility Pricing Project) comes online.
- Equity Framework-identified communities should be involved in the analysis and decision-making process on determining what would best advance equity.
- Design and implement an interoperable and easy-to-use fare/payment system across geographic boundaries and transportation options.
- Coordinate between Oregon and Washington, as well as across bike, scooter, carpooling, car sharing options, and park-and-ride lots. Look at Rideshare Online as an example of rideshare and vanpool services that serve Oregon and Washington. Likewise, TriMet's Hop card is an example of a system that accommodates users in Oregon and Washington.

- Commit to offering additional time to pay a toll bill without incurring fines and study options for effectively doing so. Tolling should not contribute to more financial indebtedness for people experiencing low incomes, nor should it lead to criminal penalties.
- Follow the precedent set by ODOT's Rose Quarter Improvement Project to include a baseline for Disadvantaged Business Enterprise investment that goes beyond the federal requirement.
- Provide a cash-based option for paying tolls in order to reduce barriers to use of the tolls, including among the unbanked.
- Ensure the process of applying for exemptions, discounted rates, or credits considers varying degrees of technological competency and access. ODOT should account for internet reliability in rural areas and how that could affect access to services online (load transponders, apply for exemptions, etc.).
- Set a zero or low minimum-balance requirement for loading or maintaining transponders. Transponders should also be free or should come pre-loaded with credits to cover the cost of the purchase. The cost of a transponder can be a barrier to purchase for people experiencing low incomes.

3.3 EMAC Feedback on Draft Report Development

A sub-committee of EMAC members received information on the technical analysis and the results of public engagement related to a low-income toll policy. The members provided input and feedback on a draft of this report at two sub-committee meetings in April and May of 2022. Feedback on draft options included the following:

- Support for a sizable benefit at 200% Federal Poverty Level and a smaller benefit at 400% federal poverty level.
- Agreement that including two income eligibility levels is worth the additional complexity so that different needs can be met.
- Varied support for offering a free option. Supportive members referenced the current and historic regressive transportation funding structure as well as the extreme economic needs at the lowest of incomes. Opposing members raised concerns about the climate impacts of incentivizing driving and de-incentivizing transit, the history of free social service benefit programs, and a feeling that all users should contribute some amount.
- Strong support for a self-certification model that streamlines the low-income toll program benefit enrollment process.

EMAC is also in the process of developing and delivering a set of recommendations (overall and July 2022 actions) to the Oregon Transportation Commission in July 2022. If accepted by the Oregon Transportation Commission in July, EMAC recommended actions that connect to affordability will be updated in this document.

4 Stakeholder Engagement Results

This chapter outlines the toll projects' iterative, three-step process involving the draft report, community and stakeholder feedback, and the final report, to ensure robust engagement leading up to the September 2022 deadline. The chapter summarizes key themes from various engagement methods, including stakeholder interviews with low-income service providers, a regional public survey, and discussion groups with historically excluded and underserved groups. This feedback was central to developing the draft report's options for consideration.

The Oregon Department of Transportation (ODOT) engaged stakeholders through a variety of methods and with numerous audiences.

4.1 Stakeholder Interviews and Discussion Groups

ODOT conducted seven interviews[2] to gather information from social service providers and state, local, and federal programs that serve people experiencing low incomes. The purpose of the interviews was to help inform implementation practices for determining eligibility and designing an accessible, inclusive low-income toll program.

ODOT partnered with the Community Engagement Liaisons Program to conduct focused, meaningful engagement with historically excluded and underserved groups. Trusted leaders from various communities held eight discussion groups with individuals or groups who identify as a youth, people experiencing disabilities, Latin American, Russian/Slavic, Chinese, Vietnamese, Black/African American, and Black, indigenous and people of color (BIPOC). Participants were asked for their perspectives on options for the low-income toll program, preferences on enrollment and application process, and potential barriers to participating in the program.

ODOT also held a discussion group with eight representatives[3] from seven community-based organizations serving Equity Framework communities. Participants were asked about potential barriers to participation in a low-income toll program and best practices for enrollment from other programs for people experiencing low incomes.

4.1.1 Key Themes

The following key themes emerged from stakeholder interviews and discussion groups:

- Address the many barriers that may exist for potential applicants (language, technology access, etc.).
- Provide many options to demonstrate eligibility for a low-income discount.
- Make the application centralized and easy to complete and track.
- Offer many application options and in multiple languages.

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2 Interview participants included representatives from Neighborhood House, Health Share of Oregon, Native American Youth and Family Center, TriMet, Portland Housing Bureau, Housing and Urban Development, and Oregon Housing and Community Services.

3 Community-based organization discussion group participants included representatives from Black United Fund of Oregon, Community Alliance of Tenants, East County Rising, Immigrant and Refugee Community Organization, Oregon Latino Health Coalition, Ride Connection, and Portland Community Reinvestment Initiatives.

- Partner with low-income programs and resources for the program to be successful.
- Provide resources for staff and funding for community-based organizations and other trusted organizations such as schools and libraries to support enrollment.
- Consider other impacts on household finances in addition to income.
- Provide low-income discounts, but some concern was expressed about fairness and minimizing financial impacts on working families.
- Consider the unique needs of other user groups.
- Provide discount and credit options, but some concern was expressed about a transit credit.
- Consider more ideas for types of discounts and how toll discounts could work.
- Conduct an awareness and education campaign.
- Provide multiple options for toll payment, including cash options.
- Provide support for those who cannot make toll payments to avoid impacts from fines or penalties.

The final report will include a full engagement summary as an appendix.

4.2 Regional Online Survey

An online survey was publicly available from April 28 to May 16, 2022, and received over 12,000 responses. ODOT advertised[4] the survey as an opportunity for the public to share feedback to shape congestion pricing and advance equity, including developing a toll discount or credit for people experiencing low incomes. The survey included two multiple-choice questions related to the draft Low-Income Toll Report, asking who should be eligible for the low-income discount or credit and the level of agreement with options for a low-income toll program. There was one open-ended response question.

A write-in question was provided at the end of the survey for respondents to share any additional feedback with decision-makers and project planners about congestion pricing. There were over 8,000 responses to this question, of those there were 146 comments related to the Low-Income Toll Report. These were comments and ideas specific to the Low-Income Toll Report and what the commenter might want addressed in the report.

4.2.1 Key Themes

ODOT tabulated survey results for all respondents and respondents who reported household annual incomes under $50,000. Key themes related to benefits and eligibility are shown in Table 4-1. Full results will be included in an appendix of the final report.

As shown in Table 4-1, when asked about eligibility for a low-income discount or credit, many respondents (55%) preferred some type of eligibility threshold. The most common preference was an eligibility threshold of 300% federal poverty level (FPL) (36%), while 19% preferred an eligibility threshold of 200% FPL. Across nearly all demographics, there was significantly more preference for eligibility at

[4] Activities to help invite participation in the online survey included: digital and print ads in regional and multi-cultural publications; social media posts, including ads in Spanish; website notices and newsletter updates; outreach toolkits to partners; tabling events at food pantries; presentations at various transportation meetings in the Portland region and statewide.

300% FPL. Several groups were more likely to choose one of the presented eligibility thresholds. Among those respondents who bike/roll, walk, take transit, and people with household incomes under $50,000, 70% opted to select one of the eligibility thresholds.

Table 4-1. Key Themes from Survey Respondents – Eligibility (N = 11,050)

Theme	All Respondents	Households under $50,000/year
Eligibility[1]		
Under 300% Federal Poverty Level (FPL)	36%	47%
Under 200% FPL	19%	25%
Neither	33%	20%
I don't have a preference / prefer not to answer	12%	8%

[1] Survey question: Who should be eligible for a low-income discount or credit?
FPL = federal poverty level

As shown in Table 4-2, when asked about options for a low-income toll program, all respondents and respondents from households with annual incomes under $50,000 agreed with providing toll caps and toll credits. Only one option, free transponders with a $25 initial credit, had net disagreement (39%) exceeding agreement (38%). Respondents experiencing low incomes agreed with all options comparatively more frequently.

Respondents experiencing low incomes and respondents that identified as living with a disability agreed with transit credits relatively less frequently. For these groups, transit credits garnered the least support compared to the other options.

Table 4-2. Key Themes from Survey Respondents – Benefit Type (N = 10,914)

Theme	All Respondents Strongly Agree or Agree	Households under $50,000/year
Benefit Type[1]		
Daily or monthly toll caps	45%	55%
Providing a limited number of toll credits for free or discounted toll trips	44%	53%
Transit credits	40%	41%
Free transponder plus $25 credit	38%	48%

[1] Survey question: How much do you agree or disagree with the following options for a low-income toll program? Respondents could also select options indicating disagreement, neither agreeing or disagreeing or unknown.

In summary, the general population and households with incomes under $50,000 most agreed with providing toll caps and toll credits. Lower-income households were more supportive of all benefit types than the general population. Both groups were more in favor of defining eligibility at the 300% FPL than at the 200% FPL, but lower-income households were more supportive of either level than the general population.

Key themes from the open-ended survey responses and project emails

General themes discussed in these comments and by direct email included observations and experiences of the need for a low-income toll program, thresholds for income eligibility and the recommended types of credits, discounts and exemptions, and ideas about income verification and certification. A full summary will be included in an appendix of the final report.

- Many respondents indicated their concern about the impact the toll will have on people experiencing low incomes, particularly in the BIPOC communities, given income inequality, limited travel options, and the increased cost of living.
- Commenters generally supported discounts, exemptions, and credits for people experiencing low incomes, including tiered and phased credits, monthly and daily caps, and an expansion of the low-income threshold. A small number of commenters also suggested exemptions for key user groups such as students, seniors. and people with disabilities. A few felt there should be no exemptions, and that all travelers, including people experiencing low incomes, should pay at least some amount.
- Some commenters indicated their preferred thresholds or definitions for “low income.” A few mentioned that they felt the threshold for low-income eligibility should be raised. General income thresholds for exemptions, discounts, or credits discussed ranged from $27,000 to $80,000 per year.
- A few commenters indicated concern about the procedural burden that income verification or certification would place on people experiencing low incomes.

ODOT received two emails about discount options for people experiencing low incomes. These comments noted the following:

- Concern about the cost of administering a low-income program and the impact on taxpayers. It noted tolling programs in other states, such as Florida and New Jersey, where everyone pays the same without discounts.
- Concern that the federal poverty guidelines would be too low for senior citizens to qualify. Given this concern, the commenter recommended increasing the eligibility to $45,000 for a married couple.

5 Sensitivity Test for Discount Options

This chapter presents the technical analyses of the potential impacts of income-based discount options on traffic volume and gross toll revenue for the I-205 Toll Project and the Regional Mobility Pricing Project. It also highlights modeling assumptions and methodologies used for this analysis, which is meant to inform—not precisely represent—the potential outcomes of one of the options for consideration.

5.1 Outcomes

This draft report considered findings from two separate sensitivity test analyses, one conducted as a part of the I-205 Toll Project and the other conducted a part of the Regional Mobility Pricing Project. Sensitivity tests are used to test different project assumptions by changing a single variable and measuring the outcomes of that change. For these analyses, the Project Team applied a 50% discount for trips made by drivers experiencing low incomes and measured daily traffic volumes on the tolled facilities (Interstate 5 [I-5] and I-205) and gross toll revenue.

The sensitivity test results are not meant to represent exact outcomes of the options in this draft report; rather, they suggest the pattern of how a low-income benefits program might affect project outcomes. The tests were performed using the Metro Regional Travel Demand Model[5] to assess future year conditions (in 2040 or 2045). The modeling analyses involve a number of assumptions, such as 100% enrollment in the program by all who are eligible, and high-, medium-, and low-income thresholds that do not perfectly match the federal poverty level (FPL) used in the draft report options for consideration.

The model results indicate that as more users take advantage of a discount program, the more likely it is that the toll program objectives related to revenue and congestion management could be affected. The findings suggest that a limited low-income discount could slightly increase daily traffic volume on tolled facilities and slightly decrease gross toll revenue[6] compared to baseline conditions without a discount. A more inclusive discount program (with increased eligibility at a higher income threshold) could further increase daily traffic volume and decrease gross toll revenue.

5.1.1 Key Findings: I-205 Toll Project Model Sensitivity Test

The Project Team performed model sensitivity tests for the I-205 Toll Project to support the refinement of assumptions for the I-205 Toll Project alternatives to be advanced into the Environmental Assessment. Table 5-1 shows how daily traffic volume and daily gross toll revenue may change by applying the low-income discount to the baseline project scenario. The baseline scenario is Alternative 3 from the I-205 Toll Project Comparison of Screening Alternatives Report, which includes two toll locations: The Abernethy Bridge and the Tualatin River bridges located east of Stafford Road. The changes represent the difference between application of a low-income discount and the baseline scenario, in year 2040 modeling. The estimated daily volume increase and change in gross toll revenue are totals of the two tolled segments of I-205.

5 Metro's Research Center collects and analyzes transportation-related information to develop and maintain modeling tools for forecasting travel flows and emissions. Travel demand models use data to predict transportation choices such as trip frequency, trip origins and destinations, types or modes of transportation, and travel by time of day.

6 The sum of all money generated from collecting tolls, without taking into account any portion of the revenue that will be used to cover expenses.

In summary, the 2040 model results indicate that a low-income discount could slightly increase daily traffic volume (2% from the baseline) and could slightly decrease gross toll revenue (1% from the baseline).

Table 5-1. Comparison of Discount Scenario to Base Toll Rate Scenario in 2040

Change Measurement	Low-Income Discount Toll Scenario (50% of Base Toll for Low Income)
Percent Change in Daily Traffic Volume	+2%
Percent Change in Gross Toll Revenue	-1%

5.1.2 Key Findings: Regional Mobility Pricing Project Model Sensitivity Test

The Project Team tested two low-income discount scenarios for the Regional Mobility Pricing Project. The first test applied a 50% toll discount to low-income vehicle trips, which make up about 10% to 15% of potential automobile trips on I-5 and I-205. The second test applied a 50% toll discount to the same low-income vehicle trips in addition to half of the medium-income vehicle trips, accounting for a total of 35% to 40% of potential auto trips on I-5 and I-205. Table 5-2 shows the estimated effects that each discount could have on I-5 and I-205 volumes and the gross Regional Mobility Pricing Project toll revenue, based on modeling for 2045 conditions.

Table 5-2. Comparison of Discount Scenarios Versus Congestion Pricing without Discount Applied in 2045

Change Measurement	Smaller Discount Program (50% Discount for Low-Income Trips)	Larger Discount Program (50% Discount for All Low-Income Trips Plus Half of Medium-Income Trips)
Percent Change in Daily Traffic Volume	+2%	+4%
Percent Change in Gross Toll Revenue[1]	-<5%	-10 – -15%

[1] The gross toll revenue impacts described in this section are based on raw model results and toll rate assumptions. They are intended for relative comparisons and do not represent net toll revenue estimates.

In summary, the smaller (less inclusive) discount program (50% discount on all low-income trips) would increase daily traffic volume by 2% from the baseline, and the larger discount program (50% discount on all low-income trips and half of medium-income trips) would increase daily traffic volume by 4% from the baseline in 2045. The smaller discount program would decrease gross toll revenue by less than 5%, and the larger discount program would decrease gross toll revenue by 10% to 15%.

5.2 Considerations for Sensitivity Tests

5.2.1 Income Threshold

As mentioned previously, the Metro Regional Travel Demand Model used to produce these results uses different income thresholds than the FPL thresholds referenced in the draft report options for consideration. Trips in this model are divided into three groups based on household income:

- Low Income: Household income under approximately $30,000 per year (in current year dollars)
- Medium Income: Household income between approximately $30,000 and $125,000 per year (in current year dollars)
- High Income: Household income above approximately $125,000 per year (in current year dollars)

As shown in Table 5-3, the 2021 FPL thresholds are split into individual household/family size, ranging from 1 person to 14 people, rather than the entire household on average. Because the Regional Travel Demand Model does not account for household/family size associated with each vehicle trip, the outcomes reported in the Key Findings sections in Section 5.1 above cannot be directly tied to the income thresholds used in the model. However, these data provide a helpful point of reference for how income classes in the model relate to FPL.

Table 5-3. Annual Household Income Thresholds for 200% and 400% of the 2021 Federal Poverty Level

Household/Family Size	200% FPL	400% FPL
1	$27,180	$54,360
2	$36,620	$73,240
3	$46,060	$92,120
4	$55,500	$111,000
5	$64,940	$129,880
6	$74,380	$148,760
7	$83,820	$167,640
8	$93,260	$186,520
9	$102,700	$205,400
10	$112,140	$224,280
11	$121,580	$243,160
12	$131,020	$262,040
13	$140,460	$280,920
14	$149,900	$299,800

Source: U.S. Department of Health and Human Services. 2022. *HHS Poverty Guidelines for 2022*. https://aspe.hhs.gov/topics/poverty-economic-mobility/poverty-guidelines.
FPL = federal poverty level

5.3 Value-of-Time Considerations

Each household is assigned to an income class in the Regional Travel Demand Model, and vehicle trips generated by these households are assigned a particular willingness to pay a toll, as represented by a value-of-time (VOT) assumption. This determines how a monetary toll assumption affects travel behavior in the model. For example, a driver with a high VOT is more willing to pay a toll for the travel-time savings that the tolled facility would offer than a driver with a low VOT, even though the amount of money paid is the same for both drivers.

The current model assumptions directly tie income and VOT: low-income drivers are assigned a low VOT, and high-income drivers are assigned a high VOT. In reality, VOT distributions for each income class will overlap and vary with each individual trip, because each traveler's willingness to pay tolls for a given trip can be highly situational and not always correlated with their income level. The Project Team is currently running tests to account for more variation in VOT within each income class. However, the current assumptions still show a range of possible responses to different toll schedules and allowed the Project Team to assess the potential impacts of different policies.

6 Regional Analysis

This chapter considers income levels in the Portland region in relation to the Federal Poverty Level (FPL) and alternative ways, beyond the FPL, to determine eligibility in the region. It describes a decision-making framework and a set of metrics to evaluate different benefit options, which culminates in a table of scores that identify the best and worst benefit options based on the framework and metrics. The decision-making framework was central to developing the options for consideration presented in the draft report.

As noted in Chapter 5, the complexities of using the FPL as a benchmark introduce many considerations during the sensitivity test analyses, ranging from accounting for differences in household size when modeling to the insufficiency of using the FPL alone as a threshold for low or medium incomes in urban areas. At the same time, using a nationally recognized federal benchmark like the FPL can make a program easier to understand from the perspectives of both program operators and the public and can foster consistency with other similar programs. These complex considerations and tradeoffs warrant further examination of:

- How the FPL relates to the people living in communities surrounding Portland;
- How the FPL relates to more regionally specific income thresholds (ALICE and SSS[7]); and
- Benefit recommendations resulting from these relationships.

6.1 Income Levels by Geography

In the Portland region, about 25% of the population experiences low income at or below 200% FPL and 54% have incomes at or below 400% FPL. These percentages are lower than Oregon overall, and the proportion of people experiencing both levels of low incomes is higher in Oregon than in Washington. Table 6-1 displays the population totals and income levels by geography. The table includes percentage of the population experiencing incomes below the FPL not only as a point of comparison but to demonstrate that using the FPL alone as a threshold in the Portland area is too stringent to serve a practical purpose and to provide a widespread benefit. These statistics provide context for determining eligibility for the low-income program.

Table 6-1. Populations in the Portland Metropolitan Statistical Area, Oregon, and Washington by Share of the Federal Poverty Level

Demographic (U.S. Census Bureau Classifications)	Metropolitan Statistical Area[1]	Oregon	Washington
Total Population	**2,412,378**	**4,052,019**	**7,266,810**
100% FPL	11%	13%	11%
200% FPL	25%	31%	26%
400% FPL	54%	61%	55%

Source: U.S. Census Bureau, American Community Survey, 2015 to 2019. S1701 Poverty Status in the Past 12 Months.
[1] Metropolitan Statistical Area = Portland-Vancouver-Hillsboro, OR-WA Metro Area

7 ALICE is the acronym for Asset Limited, Income Constrained, Employed, and represents households with incomes above the FPL but that still don't make enough to pay for the basic cost of living. SSS is the acronym for Self-Sufficiency Standard, which is a measure of the cost for a family to make ends meet without assistance.

6.2 Eligibility for the Portland Region

Since the FPL alone has been demonstrated to be too restrictive to use as a benchmark for the program to provide widespread benefits, Equity and Mobility Advisory Committee and stakeholder feedback supported using a more inclusive income threshold than the FPL. While multiples of the FPL shown above (i.e., 200% and 400% FPL) are commonly used for similar programs, the Oregon Department of Transportation (ODOT) assessed two alternative methodology models:

- **ALICE** (Asset Limited, Income Constrained, Employed) uses a standardized set of measurements to quantify the cost of a basic household budget in each county of partner states. The *ALICE Threshold* represents the minimum income level necessary for survival for a household and is derived from the *ALICE Household Survival Budget*—the bare minimum cost of household basics including housing, childcare, food, transportation, technology, and health care, plus taxes and a contingency amount equal to 10% of the household budget. The ALICE Household Survival Budget (for Oregon in 2018) for one adult, one preschooler, and one child is $56,523.[8] ALICE also calculates a Household Stability Budget, which estimates the higher costs of maintaining a viable household over time, including a 10% savings category that can be used in an emergency, for additional education, or to buy a home.[9] For 2018, the most recent data year, the ALICE is $51,216 for a household/family size of one and $118,896 for a household/family size of four.
- **Oregon SSS** (Self-Sufficiency Standard for Oregon) calculates how much income a family must earn to meet basic needs and is derived from the costs of housing, childcare, food, healthcare, and transportation, plus the cost of taxes and impacts of 2021 tax credits. The Oregon SSS minimum cost of living tends to be higher than the ALICE minimum cost of living. For the counties of the Portland Metropolitan Statistical Area, the Oregon SSS for one adult, one preschooler, and one school-age child is around $60,000 to $80,000. Table 6-2 shows for the SSS by county.

Table 6-2. Portland Metro SSS Compared to the Federal Poverty Guidelines

County	Annual SSS	As a Percentage of Federal Poverty Guidelines
Clackamas County	$78,355.02	357%
Columbia County	$67,966.03	309%
Multnomah County	$79,710.87	363%
Washington County	$78,106.52	356%
Yamhill County	$68,352.56	311%
Clark County	$64,600.25	294%
Skamania County	$59,272.81	270%

Source: University of Washington.2021. The Self-Sufficiency Standard for Oregon 2021. https://www.oregon.gov/workforceboard/data-and-reports/Documents/The-Self-Sufficiency-Standard-For-Oregon-2021.pdf.
SSS = Self-Sufficiency Standard

Both the ALICE and SSS methodologies calculate standards for unique combinations of county and family composition. Table 6-3 gives a examples of the varying SSS by county and household size as a percentage of the FPL, demonstrating that meeting this standard can range from earning 221% of the FPL for a household of one in Skamania County, Washington, to earning 497% of the FPL for a household of five in Multnomah County, Oregon. Various household compositions and sizes of 6 to 20

[8] United for Alice. https://www.unitedforalice.org/household-budgets/oregon.
[9] United for Alice. https://www.unitedforalice.org/household-budgets-mobile/oregon

are also calculated in the SSS but not shown below. The SSS per household size indicated below are averages taken from all household compositions per household size.

Table 6-3. Portland Metro SSS Compared to Federal Poverty Guidelines by Household Size

Family Size	1	2	3	4	5
Clackamas County	$ 36,249.70	$ 57,349.17	$ 71,700.00	$ 95,112.94	$ 144,944.23
%FPL	281%	329%	327%	359%	467%
Columbia County	$ 32,543.45	$ 51,364.19	$ 63,135.63	$ 82,911.86	$ 122,969.33
%FPL	253%	295%	288%	313%	396%
Multnomah County	$ 31,801.10	$ 54,173.98	$ 70,300.35	$ 95,727.33	$ 154,422.78
%FPL	247%	311%	320%	361%	497%
Washington County	$ 36,155.86	$ 57,191.33	$ 71,403.40	$ 94,806.47	$ 144,473.67
%FPL	281%	328%	325%	358%	465%
Yamhill County	$ 33,210.14	$ 51,912.40	$ 63,531.74	$ 83,371.06	$ 123,464.96
%FPL	258%	298%	289%	315%	398%
Clark County	$ 30,756.90	$ 48,584.59	$ 60,219.16	$ 79,647.82	$ 120,376.66
%FPL	239%	279%	274%	301%	388%
Skamania County	$ 28,484.07	$ 44,680.15	$ 54,932.57	$ 71,964.98	$ 106,813.92
%FPL	221%	256%	250%	272%	344%
Overall	**$ 32,743.03**	**$ 52,179.40**	**$ 65,031.83**	**$ 86,220.35**	**$ 131,066.51**
%FPL	**254%**	**300%**	**296%**	**325%**	**422%**

Source: University of Washington 2021. The Self-Sufficiency Standard for Oregon 2021. https://www.oregon.gov/workforceboard/data-and-reports/Documents/The-Self-Sufficiency-Standard-For-Oregon-2021.pdf.

FPL = federal poverty level; SSS = Self-Sufficiency Standard

Table 6-3 also shows that while these standards are highly specific to family composition and geography, it may be difficult to practically apply to the process of determining household eligibility. ALICE and SSS can still be used to judge the effectiveness of using FPL multiples as benchmarks in reaching the right level of intended users.

See Appendix A for more information on ALICE and the Oregon SSS.

7 Case Study Findings

This chapter reviews best practices and lessons learned from other income-based toll programs and fare systems. The case study analysis and stakeholder interviews revealed many barriers to enrollment in low-income benefit programs, but providers still face difficulties in lowering those barriers. The review of national programs and feedback from the Equity and Mobility Advisory Committee feedback suggest that the other programs' benefits, such as free transponders or a $25 annual credit, are not appealing enough to increase enrollment significantly.

7.1 National Case Studies

The process to develop this draft report included a national scan of existing or proposed low-income programs that could offer best practices or lessons learned. This research identified only two low-income toll programs operating in the United States. While the lessons learned from the two programs are valuable, the research effort was also broadened to assess low-income programs in Oregon in general, relevant transit fare low-income programs, as well as proposed low-income toll programs. The research also included a focus on enrollment options for low-income programs.

7.1.1 Existing Low-Income Toll Programs

The two existing low-income toll programs are in Los Angeles, CA, and in the Norfolk, VA, metro area.

For eligible participants, the **Los Angeles Metro Low-Income Assistance Program** waives a $1 monthly account maintenance fee and provides a $25 credit to offset the cost of purchasing the transponder.[10] Households that report an annual household income of less than 200% of the federal poverty level (FPL) are eligible. The program's value was initially set to match the cost of the transponder, and as such, another way to describe the program is that it provides a free transponder to participants. Because of the relatively low value of the benefit, LA Metro does not require users who have qualified for the program to requalify on a recurring basis. In 2020, LA Metro considered increasing the value of the toll credit provided to participants, since there is an understanding that despite significant marketing efforts, the limited enrollment in the program is likely due to the low value of the benefits provided to users—3% of all transponders used on the toll corridors are enrolled in the program. Furthermore, LA Metro also provides toll credits for users of transit on the corridor (and bus passes for roadway users), and uses net revenues from the corridor to fund multimodal mobility projects in adjacent communities. The key lessons learned are:

- Transponder purchase costs can be a barrier for corridor users experiencing low incomes.
- If the program verifies income, it may not be necessary to re-verify annually.
- Program enrollment will be suppressed if the value of the benefit is low.
- It is possible to use toll revenues for equity programs beyond providing credits and discounts.

The **Virginia Department of Transportation (VDOT) Toll Relief Program** provides eligible participants with discounts on various toll tunnels in the Norfolk, VA, metro area. In order to join the program, users must apply at an E-ZPass customer service center, of which there is one in each city, both of which are on bus lines and are accessible to people with disabilities. This program provides low-income residents of two towns directly adjacent to the toll tunnels a 50% discount on their first ten trips per week. Until

[10] https://www.metroexpresslanes.net/offers-discounts/low-income-assistance/

recently, this program was designed differently so that benefits would accrue primarily to drivers using the tunnels frequently—approximately 2,000 to 3,000 users are enrolled in the program, with the average benefit being approximately $25 per month. A prominent aspect of this program is that it is led by a steering committee of local stakeholders, including representatives from the NAACP, the Hispanic Chamber of Commerce, local military bases, local business owners, and local elected officials. With a diverse slate of members, a steering committee involving local stakeholders can help focus communities continue to have a voice with regard to program features and functions on a recurring basis once it is implemented. As a further equity accommodation, VDOT dropped the required minimum balance on the E-ZPass transponder from $35 to $20. VDOT has found that enrollment, verification, and maintenance costs add up to approximately 15% of the value of the benefit distributed—the state pays for these aspects of the program, and the private concessionaire absorbs the cost of the reduced tolls.

The key lessons learned are:

- It is likely that significantly less than all eligible corridor users will enroll in a low-income program.
- A steering committee or equity panel can help people experiencing low incomes continue to shape the program on an ongoing basis.
- The minimum balance on transponders as well as the size of automatic reloading events can be significant barriers for people experiencing low incomes.
- The cost of income verification is a significant share of overall program costs for low-income toll programs.
- A thoughtful and broadly accessible enrollment process is key to driving program enrollment and equity.

Additional research on corridor-length and shorter-length (e.g., bridge replacement) tolling programs and projects is included in Appendices B and C.

7.1.2 Proposed Low-Income Toll Programs

Various states and cities around the United States are actively considering implementing low-income toll programs, including Washington State; the Oakland, CA, metro area; the San Francisco, CA, metro area; San Bernardino County, CA; Colorado; and Minnesota. The studies conducted for these programs reflect the lessons learned from existing programs, and also include:

- In Washington State:
  - The proposed program provides recurring monthly toll credits or free toll trips to all eligible Washington residents using the corridor, and proposes to provide free transponders, establish a program advisory panel, and be intentional about program accessibility.
  - The State has an existing online system for instantly checking whether an individual has qualified for any state benefits, significantly simplifying the income verification process.
  - The proposed low-income toll program was chosen to:
    - acknowledge the value of program simplicity for users and implementing agencies
    - be responsive to stakeholder and user feedback that occasional free trips were highly valuable for making emergency trips

    - leave open the possibility that transponders may not have required balances, credit, or debit cards for program users, all of which can present significant barriers, and
    - be flexible in when the benefits can be used, to acknowledge that people experiencing low incomes have greatly divergent mobility needs, and they know their own mobility needs best.
  - A program option choice framework considering user benefits, program practicality, and costs guided the choice of program options, with the framework reflecting feedback, knowledge, and preferences from stakeholders, decisionmakers, and the community.
- In the Oakland, CA, metro area, the implementing agency has expressed a desire to learn by observation rather than modeling or multi-year study, and is in progress to launch a pilot of a low-income toll discount program on a set of express lanes.
- In Colorado, the proposed low-income toll program includes a significant amount of choice for users and the community. In the program's first year, program participants can choose from a $100 toll or transit credit. The program is planned to be set up with an advisory panel, and in future years, the community will choose whether to allocated funding from net toll revenues to further toll credits, transit credits, or a combination. This kind of choice makes programs more complicated for users and implementers, but can provide significant value to program users and communities who understand their own needs best.
- In the San Francisco, CA, metro area, the San Francisco County Transportation Authority is planning a low-income toll program for access to Treasure Island via a toll bridge. The agency is strongly considering a tiered benefit, with possibly a toll waiver for those in the lowest quintile for household incomes, and a 50% discount for those in the second-lowest quintile for household incomes, or alternately a 75% discount for the second-lowest quintile and a 50% discount for the middle quintile. Notably, the agency feels that 200% of the FPL is too low as a threshold for low-income determination in the San Francisco, CA area.

7.1.3 Existing Low-Income Transit Fare Programs

A significant number of transit agencies around the country offer discounts to people experiencing low incomes. This section discusses the three programs with most relevant lessons learned and practices. Of course, the funding and operations models for highways and transit agencies are significantly different, and as such the levels of benefit provided may not be analogous to toll road contexts.

TriMet, the primary public transportation operator in the Portland metro area, provides a low-income assistance program that provides qualifying riders with reduced fares. The agency's electronic fare program, Hop Fastpass, can also be used on the Portland Streetcar and buses operated by C-TRAN, the Clark County, Washington, public transportation agency. Program eligibility comprises four principles: applicants must be Oregon residents, have incomes at or below 200% of the FPL, be between the ages of 16 to 64 (with older and younger individuals eligible for different discount programs), and verify their identity. The program provides between a 50% and a 75% discount on various transit passes. Best practices and key lessons learned from this program include:

- Program funding is through payroll taxes and so is reliable and sustainable.
- The program requires users to provide proof of income, and TriMet feels this causes them to turn away potential users who are probably eligible but don't have the appropriate paperwork.

- The agency is thoughtful and deliberate about encouraging high levels of enrollment (with approximately 10% of eligible individuals in the Portland metro area enrolling), through:
  - Designing the program to have a single point of centralized administration within the government, while also having many different points of contact for participants, since TriMet is partnered with cities and community organizations to help people access the benefit.
  - Providing multiple enrollment options, with an online application as well as seven in-person locations, reducing barriers to enrollment.

In the Seattle, WA, metro area, **King County Metro** provides two low-income fare programs, one of which provides discounted rides to people with incomes below 200% of the FPL, and the other of which provides free rides to people who have incomes below 80% of the FPL and are enrolled in one of six state benefit programs.[11] They key lessons are:

- Recognizing the people have a wide range of ability to pay for transportation costs, and as such creating a tiered program that provides more benefits to people experiencing very low incomes as opposed to people experiencing moderately low incomes.
- Using enrollment in other government programs as a substitute for direct verification of income for program enrollment.

LA Metro's Low-Income Fare is Easy (LIFE) program provides a free 90-day transit pass, followed by a choice of fare credit or fare discount. A key practice from the program is its use of self-certification, in which program users are allowed to state that their income is below the program's eligibility thresholds without having to provide further documentation. This process makes the enrollment process easier for program participants, and cheaper for the implementing agency. Furthermore, the agency encourages enrollment by promoting the program and allowing in-person registration at pop-up locations and community fairs—in general, meeting potential participants where they already are can greatly increase the share who enroll in a benefit program.

7.2 Lessons Learned for Eligibility and Enrollment

This case study analysis provides insight into best practices for and lessons learned from existing and planned programs. This section expands upon these for eligibility and enrollment. An overall theme is that driving enrollment in low-income toll programs, and in benefit programs in general, is a significant challenge. Barriers can include knowledge and understanding of the programs, the low value of benefits provided, balance and banking requirements for transponders, the cost and complication of in-person and paperwork-intensive enrollment processes, and a lack of thorough accessibility in the enrollment process. For example, the review of national programs and feedback from the Equity and Mobility Advisory Committee suggests that the benefits offered by some other programs, such as free transponders or a $25 annual credit, are insufficiently appealing to someone going through the enrollment process.

The following subsections summarize best practices and lessons learned from the national case studies in two categories: eligibility thresholds and self-certification.

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[11] The six Washington state benefit programs: Temporary Assistance for Needy Families (TANF)/State Family Assistance (SFA), Refugee Cash Assistance (RCA), Aged, Blind, or Disabled Cash Assistance (ABD), Pregnant Women Assistance (PWA), Supplemental Security Income (SSI), Housing and Essential Needs (HEN).

7.2.1 Eligibility Thresholds

Income thresholds for benefit programs can consist of a single threshold, for example everyone whose income is below the FPL qualifies, which are called one-tier programs. Alternately, they can consist of multiple thresholds, for example below whose income is below the FPL receive a large benefit and people whose incomes are instead below 300% of the FPL receive a smaller benefit, which are called multi-tier programs. Multi-tier programs are more challenging to implement and for users to understand, but they are often more equitable and economically efficient in distributing benefits to those who most need it, while still providing benefits to people experiencing moderately low incomes. Both one-tier and multi-tier eligibility thresholds are used for benefit programs around the country.

Many of the toll and fare equity programs analyzed use a multiple of the FPL as a reference to determine eligibility for benefits. FPL is widely known, but it no longer reflects the current cost of basic household necessities or differences in cost of living across specific geographies in the United States. Depending on the median income in an area, people experiencing low income or very low income compared to other members of their local community may still have incomes that fall above the FPL, even though the local cost of living may exceed their income. Agencies in Portland, and the other geographies listed above, use a multiple (e.g., 200%) of the FPL as a threshold to right-size the program eligibility threshold with the local cost of living. Table 7-1 outlines income requirements used by the low-income programs listed in the case studies.

Table 7-1. Income Requirements for Various Low-Income Programs

Program	Income Cap Requirements
LA Metro toll program [1]	200% FPL
VDOT toll program [2]	Approximately 200% FPL
Washington proposed toll program [3]	Approximately 200% FPL
San Francisco proposed toll program [4]	Various tiers, up to median area income
TriMet fare program [5]	200% FPL
King County Metro fare programs [6]	200% FPL for lower tier; 80% FPL plus enrollment in one of six state benefit programs for higher tier
LA Metro fare program [7]	HUD very low income level for Los Angeles

[1] https://www.metroexpresslanes.net/offers-discounts/low-income-assistance/
[2] https://www.virginiadot.org/newsroom/statewide/2021/enrollment-now-open-for-2022-vdot-toll-relief-program12-1-2021.asp#:~:text=Beginning%20December%201%2C%202021%2C%20Norfolk,to%2010%20trips%20per%20week.
[3] https://wstc.wa.gov/wp-content/uploads/2021/08/2021-WSTC-Tolling-Equity-Report.pdf
[4] https://www.sfcta.org/sites/default/files/2022-01/TIMM_PIR_2021_2022-01-21.pdf
[5] https://trimet.org/lowincome/
[6] https://kingcounty.gov/depts/transportation/metro/fares-orca/subsidized-annual-pass.aspx; https://kingcounty.gov/depts/transportation/metro/fares-orca/orca-cards/lift.aspx
[7] https://kingcounty.gov/depts/transportation/metro/fares-orca/orca-cards/lift.aspx
FPL = federal poverty level; HUD = U.S. Department of Housing and Urban Development; VDOT = Virginia Department of Transportation

As discussed elsewhere in this draft report, two methodologies called ALICE (Asset Limited, Income Constrained, Employed) and Oregon SSS (Self-Sufficiency Standard) attempt to calculate an updated version of the FPL, assessing the income one needs to fulfill all basic necessities based on family size and home geography. The resulting figures are significantly higher than the FPL, and for the Portland metro area are in the vicinity of 400% of the FPL.

7.2.2 Self-Certification

To qualify for enrollment in low-income benefit programs, applicants are required to state or demonstrate that their household income meets the eligibility requirements. Applications may require documentation to prove income, such as a paystub, benefit letter, or other approved document. However, self-certification allows applicants to certify their income without substantiating documents. Applicants may be asked to check a box on the application that says, “I verify that the income I selected is true.” Some programs may also require applicants to agree to provide proof of income in the future.[12] Self-certification reduces barriers to enrollment in low-income benefit programs. Benefit programs in general, and particularly programs with self-certification, commonly generate discussion and concerns about the possibilities of fraud. In practice, much of this discussion is grounded in prejudice and stereotype, and benefit programs like the low-income toll program being considered here are not shown to generate a meaningful amount of fraud. When balanced against the significantly lower costs of program operation, increased enrollment, and time and cost saved to program users, the benefits are likely to outweigh the costs.

In particular, the Low-Income Toll Program would have features that further limit the potential for and cost of fraud:

- **Benefits cannot be cashed out:** The fact that the benefits can only be used for travel on the toll corridors, and cannot be cashed out, significantly limits the potential for professionalized fraud at scale, by far the most visible kind of fraud observed in benefit programs.
- **Use of the benefit is limited:** The low-income toll benefit only applies to people who use the tolled I-5 and I-205 facilities, which significantly limits the potential for fraud, as users would have to live in the project area (and not qualify for the program themselves).
- **Benefits are administered on a small scale:** Each person only receives one instance of the benefit at a time. Furthermore, if the final benefit chosen is bounded—that is, it is a credit or a number of free trips, that makes fraud even less appealing, as it is much less likely that many would commit fraud for a benefit that is limited to a fairly small value. More research may be needed to understand whether a full exemption would invite more illegitimate use of the program by extremely frequent (for example commercial) users of the corridor, who can thus achieve significant savings by misusing the program—a preferred way of addressing this issue is by performing focused income checks for self-verified accounts that become power users of the program.

Self-certification of income can be beneficial to increase accessibility to the low-income toll program and therefore increase overall enrollment. Although there may be some concerns about fraud, some of which arise more from stereotype and bias, administering a program without self-certification may be more costly than potential losses from fraud.

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[12] Self-certification example: https://www.hudexchange.info/resource/4786/cdbg-selfcertification-of-annual-income-form

8 Evaluation Framework for Type of Benefit

This chapter provides a high-level evaluation framework the Project Team developed using other agencies' experiences and input from various stakeholders to evaluate different options for the low-income benefit.

To help guide the options for consideration in this draft report, the Project Team used other agencies' experiences and the input from various stakeholders to develop a high-level evaluation framework and a set of metrics to evaluate different benefit options. Further detail on the metrics and the evaluation framework is provided in Appendix C. The decision-making framework considers the type(s) of benefits to provide, the method of enrollment, and the selection of income criteria. The set of metrics includes the benefit to program participants, the cost of implementing the program, its impact on roadway operations, and feasibility of implementation. Key terms and concepts include the following:

- Income threshold: Household income within a defined range of eligibility for program participation (e.g., Households 0% to 100% of the federal poverty level).
- Toll discount: A discount applied to the assessed toll for each trip (e.g., 50% discount on a $3 toll would result in the driver paying $1.50). A toll discount is applied as the trip is charged, so the driver would pay the discounted price. Discounts are the easiest for participants to understand and track but require reloading a toll account and may incentivize travel during peak hours.
- Toll credit: A credit applied to a transponder account on a recurring basis (e.g., A $25 toll credit applied to the transponder account every 6 months). Credits diminish the burdens of payment card requirements, minimum account balances, and automatic reloading events. Credits also incentivize travel during non-peak hours.
- Free trip(s): A set number of free trips are applied to a transponder account on a recurring basis (e.g., 10 free trips in the tolled area per month). Free trip(s) diminish the burdens of payment card requirements, minimum account balances, and automatic reloading events but may incentivize travel during peak hours.
- Exemption: Those enrolled in the Low-Income Toll Program are exempt from paying any toll costs. This discount option places the least burden on travelers experiencing low incomes but may incentivize travel during peak hours.
- Income verification: The process to determine that an applicant is within the eligible income range. This can be done through providing proof of income (such as a W2), through enrollment in another approved low-income benefit program (such as the Supplemental Nutrition Assistance Program [SNAP]), or through self-certification (applicant certifies their income without proof of income). Income verification can be a barrier to enrollment, but that can be improved by accepting enrollment in another low-income benefit program or allowing self-certification.

Based on the decision-making framework and the set of metrics, a score was assigned to each benefit option. The score was shaped by the relative weighting of each metric. Both the weighting for each metric and the score for each option on each metric can be revised based on feedback from stakeholders. This iterative revision process is part of the decision-making framework.

The following high-level ideas are the basis of the decision-making framework, the weighting for each metric, and the initial scores:

- People experiencing low incomes have a diverse set of travel needs, and their commute trips tend to be more broadly distributed at all hours of day, as opposed to being confined to peak hours.
- Eligibility threshold: A multi-tier eligibility threshold makes tolling less regressive, but it is harder to understand for program users and costlier to implement. Stakeholders have emphasized the benefits of both options: simplicity is critical, but so is acknowledging the different travel and budget needs of people experiencing very low income as opposed to people experiencing moderately low income.
- Discount type:
    - Credit or free-trip option (as opposed to a discount) diminishes the burdens of credit card or debit card requirements, minimum account balances, and automatic reloading events.
    - Given the early stage in developing the toll program, all discount options appear equally feasible from a tolling back-office perspective. Self-certification is much simpler for the implementing agency than a verification option.
    - Percentage discounts and free trips incentivize travel during peak hours and add trips to the toll network when it is most stressed due to peak-hour demand. In contrast, toll credits and fixed discounts incentivize traveling off-peak, but they also have less impact on making the time-saving distribution more equitable.
    - Percentage discounts are easiest to understand and track for program participants, but they have disadvantages, such as necessitating the funding of toll accounts, whether with cash or a credit/debit card, both of which can present challenges for people experiencing low incomes.
    - Stakeholders broadly support percentage discounts, credits, and a fixed number of free trips.
    - Income verification: Self-certification is a much simpler model of income verification for the implementing agency than a verification option.

The decision-making framework based on the high-level ideas above led to the scoring system shown in Table 8-1. Higher numerical scores (up to 6.2) are better, and lower scores (down to 3.4) are considered worse. In general, the scores indicate the following:

- A recurring credit or a recurring number of free trips provides the greatest combined value for users and the operating agency, followed by a percentage discount.
- Self-certification is more efficient overall than actively verifying income on enrollment.
- One-tier and multi-tier options both work well, with a slight edge to multi-tier program versions.

Table 8-1. Initial Scores for Each Discount Option

		Weight --->	100%
Discount Option	**Enrollment**	**Tiered**	**Total**
Percent Discount	Self-Certification	One-tier	5.0
		Multi-tier	5.3
	Confirmed Eligibility	One-tier	3.6
		Multi-tier	3.7
Number of Free Trips	Self-Certification	One-tier	6.1
		Multi-tier	6.2
	Confirmed Eligibility	One-tier	4.1
		Multi-tier	4.1
Monthly Credit	Self-Certification	One-tier	5.7
		Multi-tier	5.8
	Confirmed Eligibility	One-tier	4.0
		Multi-tier	4.0
Fixed discount	Self-Certification	One-tier	4.7
		Multi-tier	5.0
	Confirmed Eligibility	One-tier	3.4
		Multi-tier	3.5

The Toll Program and Affordability Research, Appendix C and Appendix D provide a review of low-income toll programs and additional information on the evaluative framework.

9 Options for Consideration

This chapter details this draft report's three options for establishing and operating a low-income toll program, including the justification for each option, considerations for refinement, and next steps for exploration and eventual implementation.

9.1 Provide a significant discount (e.g., Credits, Free Trips, Percentage Discount, or Full Exemption) for Households Equal to or below 200% Federal Poverty Level

9.1.1 Key Findings

- People experiencing low incomes may already have difficulty meeting basic needs such as paying for food, shelter, clothing, and healthcare. A discount or credit would alleviate the burden of choosing between paying a toll and meeting those basic needs.
- The federal poverty level (FPL) is split into household/family size, ranging from 1 to 14 people. Since the FPL does not account for many household expenses and does not account for the cost of living in specific geographies, programs in urban areas often instead use a multiple of the FPL, such as 200% FPL, instead of 100% FPL to determine qualifications.
  - In 2022, the average annual income at 200% FPL is $27,142 for a household/family size of one and $55,500 for a household/family size of four.[13]
  - In the Portland region, about 25% of the population have incomes at or below 200% of the FPL. This is lower than Oregon overall.
- Case study research and stakeholder interviews shows that the 200% FPL threshold is commonly used to determine eligibility for existing low-income benefits programs in Oregon and nationally. The 200% FPL threshold has therefore set an easily understood precedent on who should qualify for low-income benefits programs.
- Using the same income threshold as existing low-income programs, such as the TriMet Hop Fastpass, may allow the Oregon Department of Transportation (ODOT) to leverage other programs for low-income verification as part of the Oregon Toll Program. This would benefit people experiencing low incomes by reducing barriers to access, in addition to potentially reducing costs and security risks for ODOT associated with enrollment and verification. Additional conversations with these programs are needed to fully understand the feasibility of ODOT leveraging existing programs.
- In combination with self-certification, a monthly credit, percentage discount, or providing a specific number of free trips all scored the highest in the evaluative framework.
- EMAC supported a sizable benefit at 200% FPL but was divided on whether it should be a completely free option or one that is deeply subsidized (90%).
- Findings from two separate sensitivity tests indicate how a 50% discount for people experiencing low incomes may affect project outcomes—specifically, daily traffic volumes on Interstate 5 (I-5) and I-205 and gross toll revenue. The sensitivity test results are not meant to represent exact outcomes of the

[13] Assistant Secretary for Planning and Evaluation. 2022 Poverty Guidelines: 48 Contiguous States (all states except Alaska and Hawaii). Retrieved on June 8, 2022 from: https://aspe.hhs.gov/sites/default/files/documents/4b515876c4674466423975826ac57583/Guidelines-2022.pdf

options in this draft report; rather, they suggest the pattern of how a low-income benefits program might affect project outcomes.

- For the **I-205 Toll Project**, a 50% discount for the low-income vehicle class would increase daily traffic volume by 2% and decrease gross toll revenue by 1% compared to the Project's baseline scenario (based on the modeling analysis in 2040 conditions). The baseline scenario is Alternative 3 from the I-205 Toll Project Comparison of Screening Alternatives Report, which includes two toll locations: The Abernethy Bridge and the Tualatin River bridges located east of Stafford Road.
- For the Regional Mobility Pricing Project, the Project Team applied a 50% toll discount to low-income vehicle trips, which make up about 10% to 15% of potential automobile trips on I-5 and I-205 (based on the modeling analysis in 2045 conditions). The team also applied a 50% toll discount to the same low-income vehicle trips in addition to half of the medium-income vehicle trips, accounting for a total of 35% to 40% of potential auto trips on I-5 and I-205. In summary, the smaller (less inclusive) discount program (50% discount on all low-income trips) would increase daily traffic volume by 2% from the baseline, and the larger discount program (50% discount on all low-income trips and half of medium-income trips) would increase daily traffic volume by 4% from the baseline in 2045. The smaller discount program would decrease gross toll revenue by less than 5%, and the larger discount program would decrease gross toll revenue by 10% to 15%.
- **Note on findings**: The tests were performed using the Metro Regional Travel Demand Model to assess future year conditions (in 2040 or 2045). The modeling analyses involve a number of assumptions, such as 100% enrollment in the program by all who are eligible, and the income thresholds used in the model do not perfectly match the FPL used in the draft report options. The income thresholds used in the modeling analysis for vehicle trips are divided into three groups:
  - **Low Income:** Household income under approximately $30,000 per year (in current year dollars)
  - **Medium Income:** Household income between $30,000 and $125,000 per year (in current year dollars)
  - **High Income:** Household income above $125,000 per year (in current year dollars)

9.1.2 Considerations and Next steps

- The project team will perform additional analysis for both toll projects to further explore how a discount or credit for drivers experiencing low incomes might affect project outcomes—specifically measuring change in daily traffic volume and change in gross toll revenue.
- Further along in project planning, the Level 3 Investment Grade Toll Traffic and Revenue (T&R)[14] studies for both projects will refine and confirm the impacts of the low-income policy decision. The Level 3 T&R for the I-205 Toll Project, which will implement tolls to pay for the I-205 Improvements Project, is expected to occur between mid-2023 to mid-2024. Analysis of the costs to administer the low-income program will also be refined in the Level 3 Investment Grade Toll T&R study, including expected participation rates, if available and appropriate.

[14] The Level 3 Toll Traffic & Revenue Study conducts a robust and independent forecast of the traffic and revenue potential for a preferred or narrowed set of toll scenarios and is used to inform and instill the confidence of investors that will arrange financing.

- Additional consideration is needed to understand customer service implications to promote program enrollment. Full exemptions and credits are easier to explain, while trip-based discounts may pose more challenges to communicate.

9.2 Provide a Smaller, More Focused Discount (e.g., Credits Or Free Trips) for Households above 201% and up to 400% of the Federal Poverty Level

9.2.1 Key Findings

- Providing a recurring credit or number of free trips for households up to 400% FPL would alleviate the burden of paying a toll for this group experiencing moderately low incomes, who may struggle to meet basic needs.
  - The review of national programs and feedback from the Equity and Mobility Advisory Committee (EMAC) suggests that the benefits offered by some other programs, such as free transponders or a $25 annual credit, are insufficiently appealing to someone going through the enrollment process.
- The Oregon SSS (Self-Sufficiency Standard) and ALICE (Asset Limited, Income Constrained, Employed) provide additional data on cost of living to support considering some benefit provision to households up to 400% FPL.
  - The Oregon SSS calculates how much income a family must earn to meet basic needs and is derived from the costs of housing, childcare, food, healthcare, and transportation, plus the cost of taxes and impacts of 2021 tax credits.[13] In 2021, the Oregon SSS, averaged across the state of Oregon, is $31,521 (245% FPL) for a household/family size of one and $82,447 (311% FPL) for a household/family size of four. However, when averaging the Oregon SSS for the seven counties that comprise the Portland-Vancouver-Hillsboro, OR-WA Metro Area only, the thresholds increase, ranging from 254% of FPL for a household of one to 422% of FPL for a household of five.
  - The ALICE Threshold for Survival estimates a more constrained household budget that represents the bare minimum for families to make ends meet. As a multiple of FPL, the threshold for survival varies greatly depending on household size. Averaged across the state of Oregon, the Household Survival Budget is $25,380 (200% FPL) for a household of one and $75,768 (286% FPL) for a household of four.
  - The ALICE Household Stability Budget estimates the higher costs of maintaining a viable household over time including a 10% savings category that can be used in an emergency, for additional education, or to buy a home.[15] For 2018, the most recent data year, the ALICE is $51,216 (398% FPL) for a household/family size of one and $118,896 (449% FPL) for a household/family size of four.

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[15] https://www.unitedforalice.org/household-budgets-mobile/oregon

  - In 2022, the average annual income at 400% FPL is $54,360 for a household/family size of one and $111,000 for a household/family size of four.[16] In the Portland region, about 29% of people have incomes between 201% FPL and 400% FPL.[17]

- Stakeholders support providing some benefit up to 300% FPL:
  - Respondents from the May 2022 regional online survey support providing some benefit to a range of incomes, up to 300% FPL. Respondents generally chose a higher income threshold for eligibility (300% FPL) compared to a lower income threshold (200% FPL). The survey was developed prior to case study research and regional economic analysis that informed income threshold considerations. While survey respondents were asked about 300% FPL, the upper income limit was revised to 400% FPL to reflect additional research findings regarding cost of living (Table 4-1).
  - EMAC received a presentation on preliminary findings and members expressed support for providing a sizeable benefit at 200% FPL and a smaller benefit at 400% FPL. EMAC also agreed that including two income ranges is worth the additional complexity so that different needs can be met.

9.2.2 Considerations and Next Steps

- Explore different certification options including self-certification because of the difficulty of verifying incomes as well the data security risk associated with collecting sensitive information, such as social security number and income, with one possible mitigation being verifiers who review but do not collect income documents. Additional research will be useful to understand the administrative costs of income verification, reviews of program usage, and revenue leakage.
- Analyze of the costs to administer the low-income program, which will be refined in the Level 3 Investment Grade Toll Traffic and Revenue study, including expected participation rates, if appropriate.
- Determine a communication strategy to inform potential applicants about the eligibility requirements and benefits for a tiered program, which is more complicated.

9.3 Use a Certification Process that Leverages Existing Programs for Verification and Further Explore Self-Certification

9.3.1 Key Findings

- Qualification through existing low-income service program(s), such as those described in Appendix B.2, improves the ease of enrollment for applicants with incomes below 200% FPL and reduces the administrative burden and data privacy risk for ODOT.
- Self-certification allows applicants to certify their income without substantiating documents. Applicants may be asked to check a box on the application that says, “I verify that the income I selected is true” or complete an attestation form stating that applicants understand there may be penalties for

[16] Assistant Secretary for Planning and Evaluation. 2022 Poverty Guidelines: 48 Contiguous States (all states except Alaska and Hawaii). Retrieved on June 8, 2022 from: https://aspe.hhs.gov/sites/default/files/documents/4b515876c4674466423975826ac57583/Guidelines-2022.pdf

[17] U.S. Census Bureau, American Community Survey, 2015 to 2019. S1701 Poverty Status in the Past 12 Months.

misstating or falsifying information. The process may also require applicants to agree to provide proof of income in the future.[18]

- Possible benefits of qualification through existing low-income service program(s) and self-certification include improving the ease of enrollment for travelers, which addresses an enrollment barrier that could contribute to low utilization of program benefits and eliminating the needs for ODOT to collect or process sensitive information.[19]
- In the evaluation framework, discount options with self-certification all received more favorable scores than those with confirmed eligibility.
- EMAC strongly supports a self-certification model that streamlines the low-income toll program benefit enrollment process.
- The project team conducted research to identify rates of fraud among low-income toll programs as well as low-income service programs more broadly. While we found no reports of large-scale fraud among comparable programs including ones with self-certification, and the proposed low-income toll program has several features that make it an unlikely target of systemic fraud, the project team will continue to research the topic and establish business rules to prevent fraud.
- Some features of the program that can reduce the likelihood and impact of fraud include that the program is geographically bounded to only specific toll roads, that each person receives only one instance of the benefit, and potentially that the benefit from the program is bounded (if it takes the form of a credit or a number of free trips).
- ODOT can consider the following strategies to prevent fraud:
  - Requiring the use of a specific transponder that is affixed to the vehicle and cannot be transferred between vehicles.
  - Focused monitoring requiring some program participants who are frequent users of the benefit program to submit documentation to verify their income.

9.3.2 Considerations and Next Steps

- Coordination will be needed to ensure that the certification model(s) is interoperable with Washington agencies.
- The Level 3 T&R will provide an analysis of program administration costs.
- Work with stakeholders and partners to identify existing programs to automatically qualify for the low-income toll program. LA Metro, King County Metro, and TriMet, among others, offer this to increase accessibility to the program.
- If considering self-certification, additional research is needed to understand the potential risk to and impact of program fraud, as well as to understand the efficacy and tradeoffs of fraud prevention strategies.

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[18] Self-certification example: https://www.hudexchange.info/resource/4786/cdbg-selfcertification-of-annual-incomeform

[19] https://pdxscholar.library.pdx.edu/cgi/viewcontent.cgi?article=1008&context=ncpp_pub; https://www.commonwealthfund.org/sites/default/files/documents/___media_files_publications_fund_report_2009_may_1266_summer_increasing_particip_benefit_progs_v3.pdf

- Further research is needed to understand the administrative costs of income verification. The Virginia Department of Transportation (VDOT) found that the cost of income verification is a material share of overall program costs.

9.4 Next Steps

Prior to the beginning of tolling, the Oregon Transportation Commission (OTC) will establish a rate structure based on vehicle class, time of day, location and distance, and method and payment, and will include income-based adjustments. Additionally, more work is needed to identify the implementation and operations costs associated with the options for consideration and proposed implementation practices identified in this report. Wherever possible, the Low-Income Toll Program will leverage existing systems to streamline implementation and operations. Whatever low-income benefit is decided upon will be built into the back office system before tolling goes live; a greater challenge will be messaging the low-income benefit to customers and forming creative strategies to reduce barriers to enrollment.

While the options presented in the Final Low-Income Toll Report will inform the income-based adjustments, further work and engagement will be needed to define next steps after the report is submitted to the OTC and Oregon Legislature. Ultimately, decision-making authority lies with the OTC and will occur through the rate-setting process after further robust public engagement and analysis of traffic and revenue impacts.

9.4.1 Implementation Practices

There are numerous considerations for implementing the ODOT toll projects, some of which have implications for people experiencing low incomes. While this draft report outlines recommendations to create a low-income toll program framework, the following section offers practices to consider when implementing the low-income toll program.

Transponders and Account Maintenance

Provide free transponders to people enrolled in the low-income toll program and community-based organizations or other groups helping to enroll people. Do not require a minimum dollar amount of balance to load or maintain the transponder account.

ODOT currently plans to issue transponders to all users free of charge. While stakeholder feedback indicates that a transponder credit may be an insufficient benefit on its own, it can be a complementary program component to support program enrollment. Additionally, stakeholders support measures to address enrollment barriers.

Transponder installation could be coupled with Department of Environmental Quality vehicle testing processes. For example, a driver who brings their car in for a smog check could also get their transponder installed in the same visit.

Having no minimum balance requirements will alleviate additional burdens for people experiencing low incomes, but it also raises invoicing costs, which will lead to leakage. If

Case Study:
The Los Angeles Metro Low Income Assistance Plan allows credits to be applied to the cost of the transponder and waives the $1 monthly account maintenance fee, recognizing that transponder purchase costs can be a barrier for corridor users experiencing low incomes.

Case Study:
The Virginia Department of Transportation Toll Relief Program dropped the minimum balance on the transponder from $35 to $20.

having no minimum balance requirement is infeasible, explore a low balance requirement, such as $5.00 (Tri-Met's minimum load value).

Provide a Cash-Based Payment Option

Provide a cash-based option for paying tolls to reduce a barrier to enrollment among those who are cash-preferred.

Some individuals do not have a bank account or prefer to use alternative financial services. Others would prefer not to share banking information with a government agency. Providing a cash-based option to load transponders addresses these concerns and is supported by stakeholders. Ideally, cash loading should occur in-community (at local stores) and should not have surcharges. ODOT is already considering this option for the toll program overall.

Program Communications and Outreach

Conduct extensive marketing, promotion, and engagement with community-based organizations that starts at least 6 months before tolling begins. Post signage so that travelers can make informed decisions.

Feedback from EMAC, low-income discussion groups, social service providers, and community organizations all recommend selecting the low-income toll benefit and enrolling people in the program before tolling begins. ODOT will need to consider the timeline for program decision-making, marketing, and outreach.

One benefit of scheduled variable-rate pricing is the ability for drivers to know the toll rate before they travel. Signage communicating rates facilitates predictability and transparency.

Develop an Inclusive Enrollment Process

Create an in-person and online enrollment process that is accommodating for participants experiencing a disability, who have limited technology access or training, who speak languages other than English, and who live far away from existing customer service centers.

The Portland region is a diverse place with people of many abilities and with varying degrees of access to technology. Online resources, such as a website and mobile app, can reach a wide audience. But for those with limited technology access or training, stakeholders support offering an in-person option to provide an inclusive and accessible customer service experience. This can serve as a test bed to see if that would be successful in the statewide program.

Partnering with Oregon Driver and Motor Vehicle Services (DMV) or other social services sites could help enroll users in the low-income toll program. ODOT is already considering stationing customer service representatives at DMVs. Other potential channels include payment platforms like PayNearMe and InComm.

Case Study:
Tri-Met allows HopCard holders to load money on their account at local grocery and convenience stores, such as Safeway and 7-Eleven.

Case Study:
LA Metro's LIFE program encourages enrollment by allowing in-person registration at pop-up locations and community fairs.

All enrollment options should be compliant with the American with Disabilities Act, accessible by multiple forms of transportation, and open for longer hours. Application materials should be available in multiple languages.

Develop Monitoring, Review, and Adjustment Process

Support a monitoring, review, and adjustment process for the low-income toll program that includes community voices and a process that is aligned with the Oregon Toll Program's Equity Framework.

Ongoing engagement and consultation with historically underrepresented and underserved communities in program monitoring, reporting, and programmatic changes facilitates building community understanding, capacity, trust, and support. It can also help planners and policymakers interpret data in local context and make more informed decisions for the low income toll program. This best practice would be applied as part of customer/user engagement. Experience from VDOT indicates that a steering committee or equity panel can help people experiencing low incomes continue to shape the program on an ongoing basis.

Prevent Debt and Criminal Penalties

For people experiencing low incomes of 400% of the FPL and below, offer education opportunities, additional time to pay toll charges, multiple notices of account balances, or set a maximum penalty amount.

Tolling should not contribute to more financial indebtedness for people experiencing low incomes, nor should it lead to criminal penalties. The existing rules for failure to pay tolls are established in Oregon law (ORS 383) and rules (731-040-0064). ODOT will need to consider the timeline, process, and consistency for defining a waiver of fines or penalties in rule. For program administration, ODOT should consider applying the same rules to all accounts within the low-income toll program.

Develop an Operation and Implementation Plan

Work with the toll implementation team to develop a concept of operations for the low-income toll program that includes an implementation framework.

More work is needed to develop an operational design and implementation plan. Such a plan will establish the necessary program details, specific policies, and technical system requirements that will enable more precise analysis and estimation of the program costs and potential impact on toll revenues and performance, long-term.

Appendix A Low-Income Benefit Programs and Thresholds

A.1 Federal Agencies

The U.S. Department of Agriculture's Supplemental Nutrition Assistance Program (SNAP) provides food benefits to low-income households based on household size. As shown in Table A-1, the income thresholds for eligibility are calculated based on a maximum income of $16,744 for a one-person household and an additional $5,902 for each additional person in the household. In addition, the applicant must have a current bank balance (savings and checking combined) under $2,001, or have a current bank balance under $3,001 and share their household with either a person aged 60 and over or a person with a disability.

Table A-1. Annual Household Income Limits (Before Taxes)

Household Size*	Maximum Income Level (Per Year)
1	$16,744
2	$22,646
3	$28,548
4	$34,450
5	$40,352
6	$46,254
7	$52,156
8	$58,058

Source: U.S. Department of Agriculture's Supplemental Nutrition Program (SNAP) for Oregon. https://www.benefits.gov/benefit/1332.

* For households with more than eight people, add $5,902 per additional person. Always check with the appropriate managing agency to ensure the most accurate guidelines.

The U.S. Department of Health and Human Services' Poverty Guidelines for 2022 are as shown in Table A-2. The guidelines are calculated based on an income of $13,590 for a one-person household and an additional $4,720 for each additional person in the household. These guidelines are used by programs (directly or percentage multiples) such as Head Start, the SNAP, the National School Lunch Program, the Low-Income Home Energy Assistance Program, and the Children's Health Insurance Program.

Table A-2. Poverty Guidelines for 2022

Persons in Family/Household	Poverty Guideline
1	$13,590
2	$18,310
3	$23,030
4	$27,750
5	$32,470
6	$37,190
7	$41,910
8	$46,630

Source: 2022 Poverty Guidelines for the 48 Contiguous States and the District of Columbia, from the Office of the Assistant Secretary for Planning and Evaluation, U.S. Federal Poverty Guidelines used to determine financial eligibility for certain programs. https://aspe.hhs.gov/topics/poverty-economic-mobility/poverty-guidelines.

* For families/households with more than 8 persons, add $4,720 for each additional person

A.2 Local, Regional, and State Agencies

Oregon Housing and Community Services offers two programs that help low-income households with utility payments: Low-Income Home Energy Assistance Program and Oregon Energy Assistance Program. Households with incomes below 60% of Oregon's median income are eligible, based on household income and household size.

OREGON TRAIL CARD – ELECTRONIC BENEFITS TRANSFER (EBT) CARD

The Oregon Trail Card used for state benefits include SNAP food benefits and Temporary Assistance for Needy Families (TANF) cash benefits. Benefits are deposited into the account each month, and the card functions like a debit card.

For families and single adults without a disability, eligibility for SNAP food benefits can be determined via 65 Oregon Department of Human Services Self-Sufficiency offices in the state (example for different family types in Figure 9-3). For seniors and people living with disabilities, eligibility is determined via 76 Oregon Department of Human Services Aging and People with Disabilities and Area Agency on Aging offices in the state. Applications may be emailed or dropped off in person, mailed, or faxed to the appropriate office.

TANF is available for people who live in Oregon, experience low income and very few assets, and are either 18 or younger and head of their household, are pregnant, or have a child who is 18 or younger. Eligibility is determined via 65 Oregon Department of Human Services Self-Sufficiency offices in the state (example for Oregon counties in Figure 9-4). Applications may be emailed or dropped off in person, mailed, or faxed to the appropriate office. People who qualify for TANF are also eligible for employment and training via Oregon's Jobs Opportunity and Basic Skills (JOBS) program.

UTILITY BILL PAYMENT ASSISTANCE

Oregon Housing and Community Services offers two programs that help low-income households with utility payments: Low-Income Home Energy Assistance Program and Oregon Energy Assistance Program. The Low-Income Home Energy Assistance Program helps participants with energy expenses and may help repair or replace heating systems as well as improve household energy efficiency through the Weatherization Program. Oregon Energy Assistance Program assists households at risk of losing electricity access. Both programs are administered by Community Action Agencies with Oregon Housing and Community Services funding; each of Oregon's 36 counties has a Community Action Agency. Households with incomes below 60% of Oregon's median income are eligible, based on household income and household size. Both renters and owners are eligible, but benefit levels may vary for renters based on rental or utility agreements and landlord cooperation.

PORTLAND TRI-COUNTY METROPOLITAN TRANSPORTATION DISTRICT OF OREGON (TRIMET) LOW-INCOME FARE PROGRAM

Seniors aged 65+, people on Medicare, people with a disability, and people experiencing low incomes, termed Honored Citizens, are eligible for 50% to 72% less than Adult fare. Discounts apply to rides on buses, MAX, WES, Portland Streetcar, and C-TRAN. An ID is required for proof of eligibility upon boarding. After spending $2.50 in a day or $28 in a calendar month, Honored Citizens may ride for free. Payment options for Honored Citizen fares include: a paper Hop ticket available at MAX/WES stations; a virtual Hop card in the Hop app; or a physical Hop card that can be bought ($3 for a card) and reloaded (via Hop website, app, or phone hotline) at 500+ local retailers including supermarkets, pharmacies, and convenience stores. Physical Hop cards do not require a bank account, credit card, smartphone, or

Internet access. Honored Citizen discounts are not available through the mobile wallet or physical bankcard (direct tapped on Hop readers) options.

Table A-3. Portland Tri-County Metropolitan Transportation District of Oregon (TriMet) Low-Income Fare Program

Facility Type	Mass Transit Fare
Tiered Benefits?	No
Program Features	• Low-income users receive discounts of 50% to 72% off the adult fare, depending upon whether fares are for single ride, day pass, or monthly pass. • Users automatically qualify with enrollment in Oregon Health Plan, SNAP, Energy Assistance, Free/Reduced Lunch, HUD Assistance, TANF, or Employment DayCare.
Income Requirements	200% FPL or below.
Proof of Income	WorkSource employment/wage verification, Current IRS transcript, W2 form from the most recent tax year, signed copy of federal tax return, or unemployment benefit letter and current weekly pay stub.
Residence Requirements	Oregon State
Proof of Residence	Valid government-issued ID
Enrollment Method	Online application, req. document upload and video enrollment call. Hop cards must be picked up in person at the TriMet Ticket Office at Pioneer Courthouse Square.[1]

[1] https://trimet.org/lowincome/

Table A-4. King County Metro Subsidized/Reduced Transit Fare

Facility Type	Mass Transit Fare	
Tiered Benefits?	Yes	
Program Features	Subsidized annual pass,[1] which allows free ($0) fare for select road-based transit services (King County Metro buses, RapidRide, Access, Via to Transit, Sound Transit express buses), water (King County Water Taxi), and rail (Seattle Center Monorail, Seattle Streetcar, Link Light Rail, Sounder commuter train); reduced fare for other transit modes is also available through the E-purse available through the ORCA card.	ORCA LIFT, a transit pass with reduced fares.[2] Discounts range widely depending on mode and provider, from 25% (Everett Transit) up to 74% (Sounder Train). Both Pierce Transit and Washington State Ferries do not participate in the discount program.
Income Requirements	80% FPL or below plus enrollment in one of six state benefit programs.	200% FPL
Proof of Income	Temporary Assistance for Needy Families (TANF)/State Family Assistance (SFA); Refugee Cash Assistance (RCA); Aged, Blind or Disabled Cash Assistance (ABD); Pregnant Women Assistance (PWA); Supplemental Security Income (SSI); and Housing and Essential Needs (HEN).	Proof of enrollment in certain state programs, letters or other proof of employment or unemployment, or tax returns.
Residence Requirements	Yes, King, Pierce, and Snohomish counties	No
Proof of Residence	Valid government-issued ID	N/A
Enrollment Method	Enrollment verification occurs by telephone or in person at Washington State Department of Social and Health Services, Seattle & King County Department of Public Health, and non-profit Catholic Community Services across King, Pierce, and Snohomish counties; or online through the King County Reduced Fare Portal. Online application requires uploading images of verification documents, including photo ID.	Enrollment verification occurs by calling the King County Community Health Access Program, applying online using the Reduced Fare Portal, or visiting authorized enrollment offices in King County.

[1] https://kingcounty.gov/depts/transportation/metro/fares-orca/subsidized-annual-pass.aspx
[2] https://kingcounty.gov/depts/transportation/metro/fares-orca/orca-cards/lift.aspx

Table A-5. LA Metro Low-Income and Transit-Rider Credit and Waiver of Recurring Fees

Facility Type	Highway Toll/Mass Transit Fare Cross-Benefits
Tiered Benefits?	No
Program Features	• Low-income users receive one-time $25 toll credit and waiver of $1 monthly account maintenance fee • Users who ride the buses on the express lanes receive a $5 toll credit for every 16 bus trips • Spends net toll revenues of neighborhood projects • Users must have an electronic fare (TAP) card
Income Requirements	200% FPL or below
Proof of Income	Check stub, EBT card, proof of free-reduced school lunch receipt
Residence Requirements	Yes, Los Angeles County
Proof of Residence	Photo ID
Enrollment Method	Enrollment verification requires users to travel to or call a customer service center and show/fax proof of Los Angeles County residence as well as income

Table A-6. Elizabeth River Tunnels

Facility Type	Tunnel Toll
Tiered Benefits?	No
Program Features	Low-income users receive a 50% discount for 2-axle tolls in the Downtown and Midtown tunnels for up to 10 trips per week.[1]
Income Requirements	$30,000 annual income (approx. 200% FPL) or below
Proof of Income	Acceptable documents include W-2, 1099-MISC, One month of pay stubs, IRS 1040, Employer's statement, Self-declaration of no income.
Residence Requirements	Yes, Portsmouth City or Norfolk City Counties
Proof of Residence	Driver's license, utility bill, bank account statement, property tax bill, proof of home ownership, or rental contract
Enrollment Method	Enrollment verification requires users to apply at an E-ZPass customer service center in Norfolk or Portsmouth.

[1] https://www.virginiadot.org/newsroom/statewide/2021/enrollment-now-open-for-2022-vdot-toll-relief-program12-1-2021.asp#:~:text=Beginning%20December%201%2C%202021%2C%20Norfolk,to%2010%20trips%20per%20week.

Table A-7. SFCTA's TIMMA Low-Income Toll Program (Planned)

Facility Type	Cordon Per-Direction Toll	
Tiered Benefits?	Yes	
Program Features	• Estimated start date is 2024 • Non-resident private vehicles will be tolled when entering and exiting the island at $5 per-direction peak and $2.50 per-direction off-peak. Households with moderate and low incomes are eligible for a 50% discount. • Households with very low incomes are eligible for toll exemption. • Treasure Island residents will be exempt from the toll. • Spends net toll revenue on expanded transit service and mobility improvements. • Treasure island employers will also be provided a quarterly subsidy, which may be used to compensate employees with low incomes or add cash value to toll tags.[1]	
Income Requirements	Less than 55% Area Median Income	55-120% than Area Median Income
Proof of Income	Unknown	Unknown
Residence Requirements	Yes	Yes
Proof of Residence	Toll only applies to non-residents	Toll only applies to non-residents
Enrollment Method	Unknown	Unknown

[1] https://www.sfcta.org/sites/default/files/2022-01/TIMM_PIR_2021_2022-01-21.pdf

MEDELLÍN, COLOMBIA

We mention the Metro de Medellín in Colombia here because they offer a wide range of tiered fare options as they operate a variety of transit modes in the city including rail, bus, and gondola. Tiered fares are determined by average neighborhood income, and the lowest tiers pay a small percentage of full fare. Gondola lines like the Cable Arví, which travel between the city center and the neighborhoods and parks in the surrounding hills, have a qualification system based off of Colombia's SISBEN system, where the economic well-being of individual households are evaluated for the purpose of selection for social programs.

A.3 Regional Incomes, Cost of Living, and Eligibility Thresholds

Many of the above toll equity programs use the federal poverty level (FPL) as a reference to determine eligibility for benefits. FPL is a national standard, allowing it to be easily referenced and understood, however does not always reflect the current cost of basic household necessities or differences in cost of living across specific geographies in the US. Depending on the median income in an area, people experiencing low income or very low income compared to other members of their local community may still have incomes that fall above the FPL, even though the local cost of living may exceed their income. Portland, and the other geographies listed above, fall into this category, and may benefit from using a multiple (e.g. 200%) of the FPL as a threshold. However, this threshold should be specific to local conditions, such as in Figure A-1, to ensure that the full focus population of benefit recipients can be eligible.

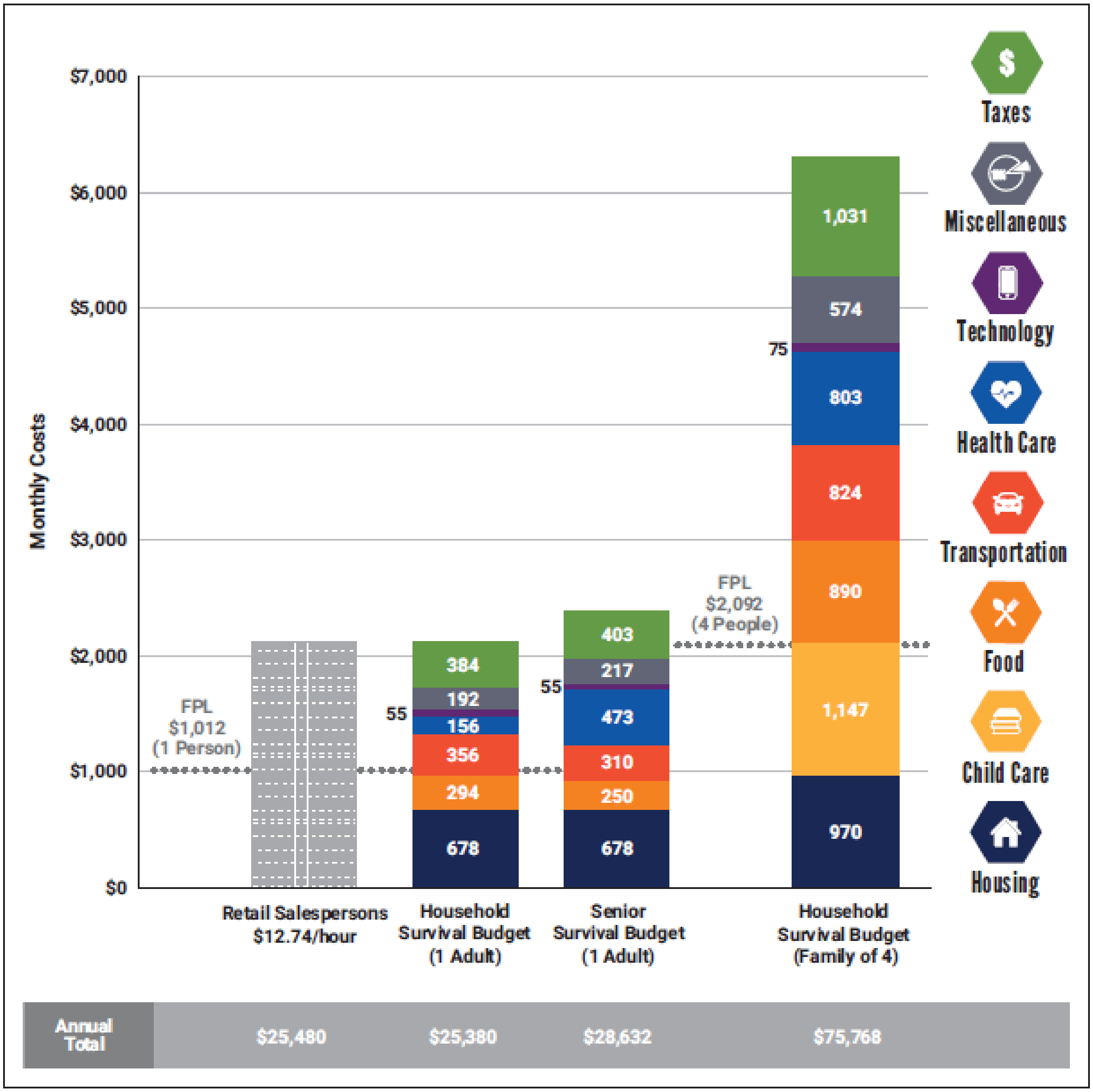
Another way to compare local income distributions is ALICE (Asset Limited, Income Constrained, Employed) methodology. This strategy uses a standardized set of measurements to quantify the cost of a basic household budget in each county of partner states. The ALICE Threshold represents the minimum income level necessary for survival for a household, and is derived from the ALICE Household Survival Budget—the bare minimum cost of household basics including housing, child care, food, transportation, technology, and health care, plus taxes and contingency equal to 10% of household budget. See Figure A-2 for the 2018 thresholds across Oregon counties.

Table A-8 summarizes ALICE and FPL data for each geography noted above, with the exception of California where only FPL data is available.

Table A-8. ALICE and FPL Data for Each Geography

Data Type	ALICE (Asset Limited, Income Constrained, Employed)	Self-Sufficiency Standard for Oregon
Organization	United For ALICE	Worksystems
Organization Description	Driver of innovation, research, and action to improve life across the country for ALICE (Asset Limited, Income Constrained, Employed) and for all. Through the development of the ALICE measurements, a comprehensive, unbiased picture of financial hardship has emerged.	Non-profit agency that accelerates economic growth in the City of Portland, Multnomah and Washington counties by pursuing and investing resources to improve the quality of the workforce.
Update Frequency	Bi-annually	Annually (since 2020, every three years), though individual data sources depend on individual update frequency
Most Recent Update	2018	2021
Philosophy (i.e. what is it trying to accomplish?)	Based upon the highest quality, unbiased data we are able to measure financial hardship and understand why so many households struggle to make ends meet. Each ALICE report contains data on household budgets, demographics, employment opportunities, housing affordability, public and private assistance, and other critical economic factors.	Comprehensive, credible, user-friendly tool to ensure the best data and analyses are available to enable Oregon's families and individuals to make progress toward real economic security.
Methodology (i.e. what is it counting and how?)	Measure calculates how much income a family must earn to meet basic needs without private or public assistance, varying by family composition, which city or county they live in Oregon, and accounting for the need for emergency savings (10% contingency). Based on the costs of basic needs for working families: housing, child care, food, health care, transportation, miscellaneous items, the cost of taxes, and technology.	Measure calculates how much income a family must earn to meet basic needs without private or public assistance, varying by family composition, which city or county they live in Oregon, and accounting for the need for emergency savings. Based on the costs of basic needs for working families: housing, child care, food, health care, transportation, and miscellaneous items, and the cost of taxes and impacts of tax credits like the American Rescue Plan Act of 2021
Geographies	All counties in Arkansas, Connecticut, Delaware, Florida, Hawai'I, Idaho, Illinois, Indiana, Louisiana, Maryland, Michigan, Mississippi, New Jersey, New York, Ohio, Oregon, Pennsylvania, Tennessee, Texas, Virginia, Washington, West Virginia, and Wisconsin	All counties in Oregon, specific cities such as Portland; also, 41 states, the District of Colombia, and New York City
Website	https://www.unitedforalice.org/state-overview/Oregon	www.selfsufficiencystandard.org/Oregon
Data Availability	Excel file with ALICE data for all family types in every Oregon county	Excel file with Self-Sufficiency Standard data for all family types in every Oregon county
Use in other programs in Oregon	Only information for Pacific NW: Avista, Ford Family Foundation, Idaho Community Foundation, Idaho Nonprofit Center, Providence Health Care, WaFd Bank, WSECU, United Ways of the Pacific Northwest	Multnomah County Preschool for All program (qualification standard); Worksource Center Oregon (scholarship awards and to support service needs); Office of Forecasting, Research and Analysis for the State of Oregon (tax model impacts); Portland Development Commission (“prosperous households” measure)

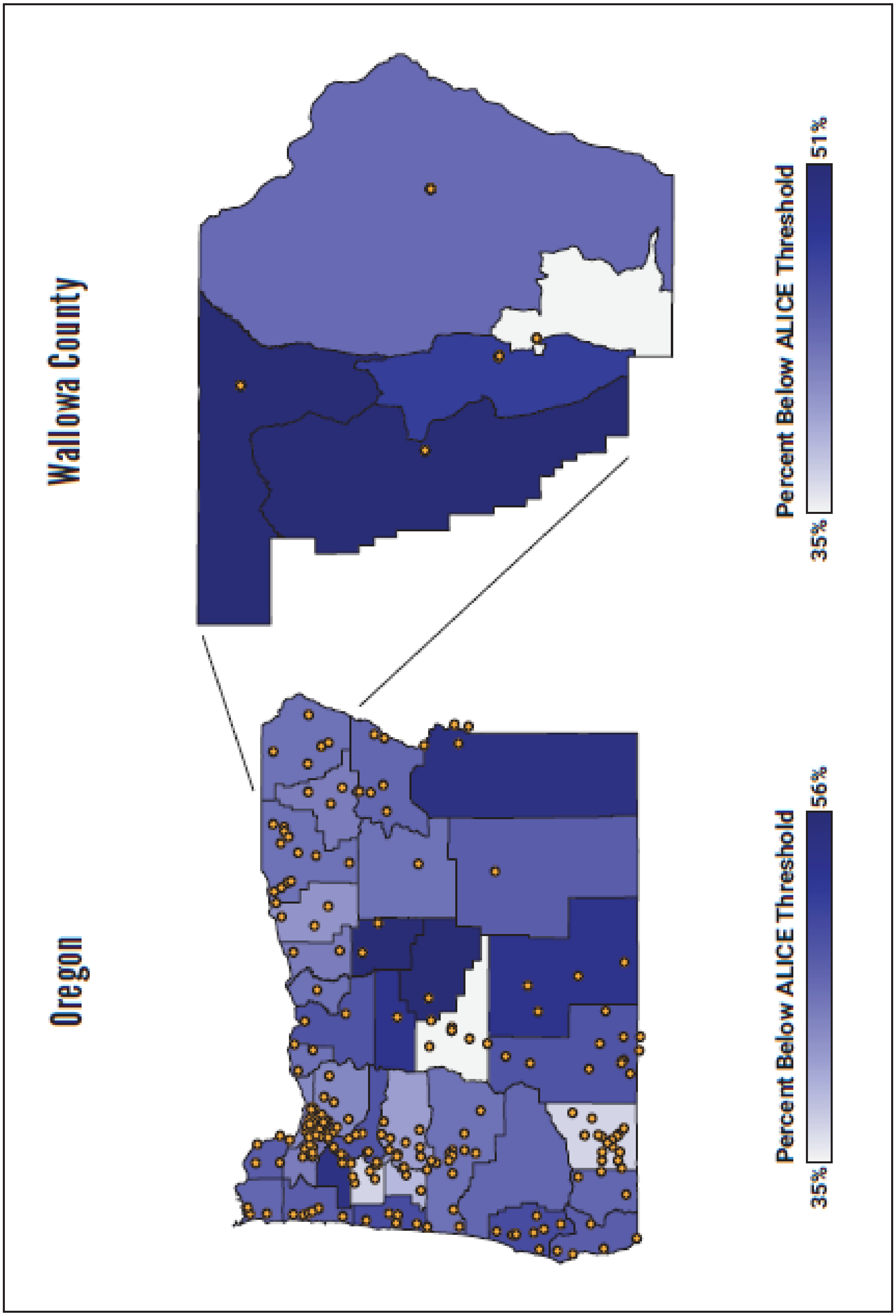
Figure A-1. Budget Comparison (Oregon 2018)



Note: The FPL is a total; there is no breakdown of how that amount is allocated by budget category.

Sources: AAA, 2018; Agency for Healthcare Research and Quality, 2018; American Community Survey, 2018; Bureau of Labor Statistics, 2018—Consumer Expenditure Surveys; Bureau of Labor Statistics, 2019—Consumer Expenditure Survey; Bureau of Labor Statistics, 2018—Occupational Employment Statistics; Centers for Medicare & Medicaid Services, 2016—Medicare Current Beneficiary Survey; Centers for Medicare & Medicaid Services, 2019; Centers for Medicare & Medicaid Services, 2019—Medicare - Chronic Conditions; Federal Highway Administration, 2017; Feeding America, 2019; Fowler, 2019; Grobe & Weber, 2018; Internal Revenue Service, 2020; Internal Revenue Service—FICA, 2020; Medicare.gov; Scarboro, 2018; The Zebra, 2018; U.S. Department of Agriculture, 2018—Official USDA Food Plans; U.S. Department of Housing and Urban Development, 2018—Fair Market Rents; Walczak, 2019. For more details, see the Methodology Overview at UnitedForALICE.org/Methodology[14]

Figure A-2. Library Locations and Household Below ALICE Threshold (Oregon 2018)



Sources: ALICE Threshold, 2018; American Community Survey, 2018; The Institute of Museum and Library Services, 2019

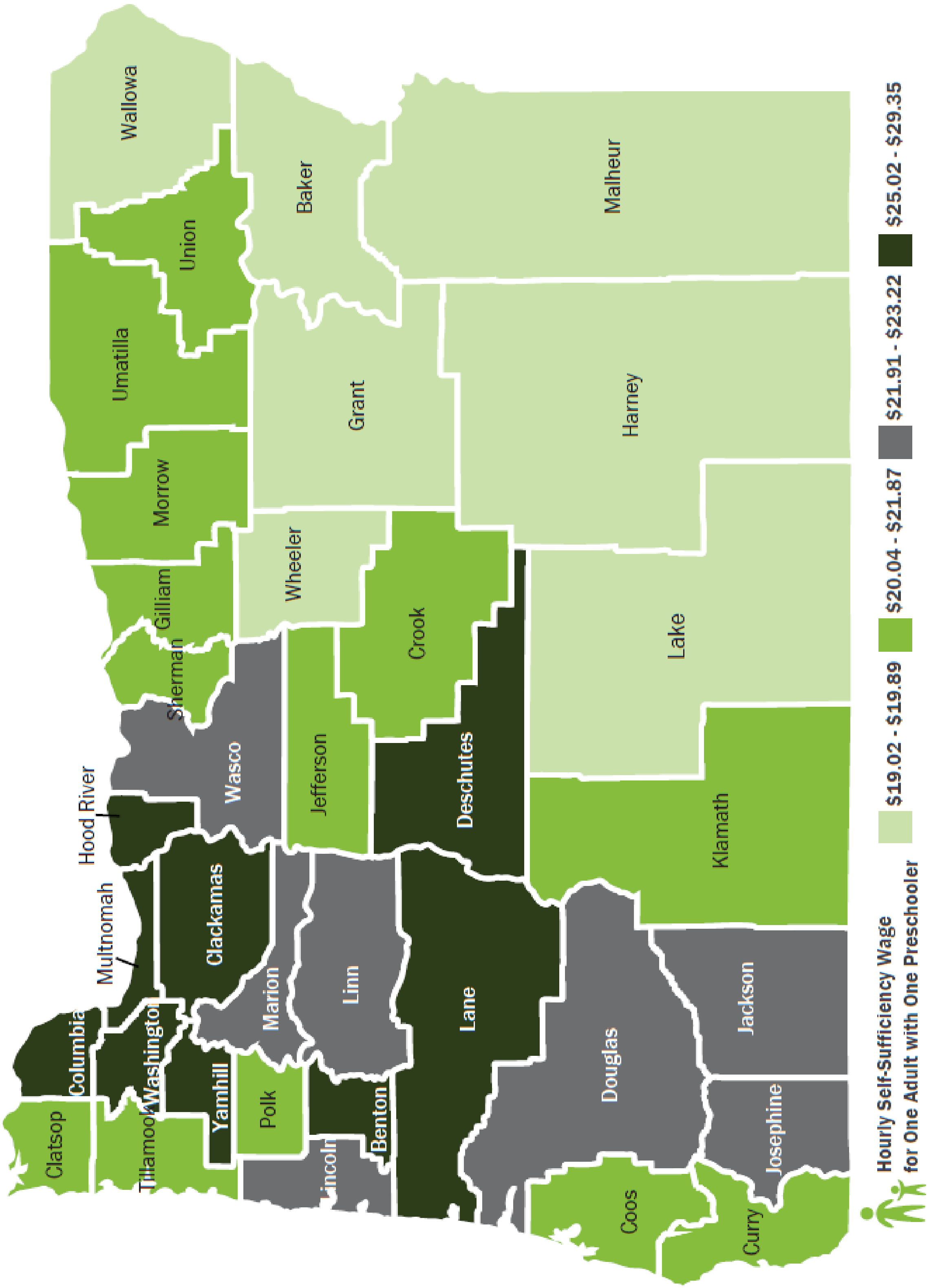
Figure A-3. The Self-Sufficiency Standard for Select Family Types (Multnomah County, Oregon 2021)

	1 ADULT	1 ADULT 1 PRESCHOOLER	1 ADULT 1 PRESCHOOLER 1 SCHOOL-AGE	2 ADULTS 1 PRESCHOOLER 1 SCHOOL-AGE
MONTHLY COSTS				
Housing	$1,327	$1,531	$1,531	$1,531
Child Care	$0	$1,258	$2,081	$2,081
Food	$306	$463	$701	$942
Transportation	$100	$100	$100	$200
Health Care Net	$168	$536	$574	$647
Premium	$95	$444	$444	$444
Out-of-Pocket	$73	$92	$130	$203
Miscellaneous	$190	$389	$499	$540
Taxes (Net)	$535	$793	$924	$930
Federal Income Taxes	$173	$397	$590	$540
Payroll Taxes	$204	$393	$497	$532
State Income Taxes	$159	$304	$387	$407
Federal Child Tax Credit (-)	$0	($300)	($550)	($550)
SELF-SUFFICIENCY WAGE				
Hourly**	**$14.92**	**$28.81**	**$36.42**	**$19.52 (per adult)**
Monthly	$2,627	$5,070	$6,409	$6,871
Annual	$31,521	$60,846	$76,912	$82,447
Emergency Savings Fund	$33	$119	$265	$65
TOTAL RESOURCES (YEARLY)				
Federal & Oregon Earned Income Tax Credit (EITC)	$0	$0	$0	$0
Federal Child and Dependent Care Tax Credit (CDCTC)	$0	$4,000	$8,000	$8,000
Oregon Working Family Household and Dependent Care Credit (WFHDC)	$0	$0	$0	$0
Net Resources	$31,521	$64,846	$84,912	$90,447

* The Standard is calculated by adding expenses and taxes and subtracting tax credits.

** The hourly wage is calculated by dividing the monthly wage by 176 hours (8 hours per day times 22 days per month). The hourly wage for families with two adults represents the hourly wage that each adult would need to earn, while the monthly and annual wages represent both parents' wages combined. Note: Totals may not add exactly due to rounding.

Figure A-4. Counties by Level of Hourly Self-Sufficiency: One Adult and One Preschooler (Oregon 2021)



Appendix B Decision-Making Framework for Type of Discount

A decision-making framework was developed to help evaluate the options made in this draft report with regard to the type(s) of benefits to provide, the method of enrollment, and the selection of income criteria. The following options were evaluated:

- Percentage discount
- Credit for a specific number of free trips per month
- Monthly credit
- Fixed discount

For each option, 11 metrics were evaluated at a high level, and each of the 11 metrics was assigned a percentage weight, with the weights adding up to 100%. This allows the framework to generate a score for each option. The metrics and weights are shown in Table B-1.

Table B-1. Framework Metrics and Percentages

Metric	Weight
User benefit:	**55%**
The net monetary benefit per household for highway users experiencing low incomes	5%
The decrease in how regressive tolls are for highway users experiencing low incomes (tolls are regressive if everyone pays the same—those with lower incomes spend a higher percentage of their income on a fixed cost)	10%
Encouraging the free or very low cost availability of a reliable trip for infrequent high-value trips, such as medical or childcare	20%
The increase in the share of time savings accruing to highway users experiencing low incomes	10%
Lessening the burden to highway users experiencing low incomes due to account minimums and automatic reloading events	10%
Program cost:	**20%**
Reduction in total toll payments as a result of the program	10%
Cost of program implementation (excl. toll impact and incl. temporary or permanent staff needs for enrollment)	5%
Ease of program implementation for implementing agency(s)	5%
Operational impact:	**10%**
Operational impact, including eroding travel time and environmental benefits of pricing	10%
Other feasibility:	**15%**
Easily explained to decision-making stakeholders and eventual program participants	10%
Are the stakeholders (legislature, implementing agencies, etc.) willing to support this option?	5%

The framework is designed to allow iteration based on feedback from stakeholders and outreach on the importance of different metrics, as well as the score of each option on each metric. Some high-level ideas that drove the initially selected scores include:

- It is anticipated the self-certification will increase enrollment in the program.
- People experiencing low incomes have a diverse set of travel needs, and their commute trips tend to be more broadly distributed at all hours of day, as opposed to being confined to the peaks.
- A credit or free trips option (as opposed to a discount) diminishes the burden of credit or debit card requirements, minimum account balances, and automatic reloading events.
- A multi-tier eligibility threshold makes tolling less regressive, but it requires additional explanation, is harder to understand for program users, and is costlier to implement. Stakeholders have emphasized the benefits of both options: that simplicity is critical, but as is acknowledging the different travel and budget needs of people experiencing very low incomes as opposed to people experiencing moderately low incomes.
- Given the early stage of the Oregon Toll Program, all discount options appear equally feasible from a tolling back-office perspective. Self-certification is much simpler for the implementing agency than a verification option.
- Percentage discounts and free trips incentivize traveling the in peak periods, whereas free trips and fixed discounts incentivize traveling in off-peak periods, and as such have lower operational impacts, but also less impact on making the time-saving distribution more equitable.
- Percentage discounts are easiest to understand and track, for program participants, but have other disadvantages.
- Stakeholders have been broadly supportive of percentage discounts, credits, and a fixed number of free trips.

The results of the framework are shown in full in Table B-2 and indicate that:

- Providing a recurring credit or a recurring number of free trips provides the greatest combined value, followed by a percentage discount.
- Self-certification on balance is more effective than actively verifying income on enrollment.
- Both one-tier and multi-tier options work well, with a slight edge to multi-tier program versions.

Table B-2. Framework Results

		Weight --->	100%	5%	10%	20%	10%	10%	55%	10%	5%	5%	20%	10%	10%	5%	15%
Discount Option	Enrollment	Tiered	Total	A1	A2	B1	B3	D2	User Benefit	E1	E2	E3	Cost	Operational Impact	D1	F1	Other Feasibility
% Discount	Self-Certification	One-tier	5.0	2	5	2	4	1	2.7	8	8	7	7.8	6.0	10	7	9.0
		Multi-tier	5.3	4	8	3	6	3	4.5	6	8	7	6.8	4.0	7	7	7.0
	Confirmed Eligibility	One-tier	3.6	1	3	1	2	1	1.4	9	3	3	6.0	8.0	5	7	5.7
		Multi-tier	3.7	2	4	2	3	2	2.3	8	2	3	5.3	7.0	4	7	4.7
# Free Trips	Self-Certification	One-tier	6.1	5	5	8	8	6	6.8	5	6	7	5.8	2.0	6	7	6.3
		Multi-tier	6.2	7	8	8	8	8	7.9	3	6	7	4.8	2.0	3	7	4.3
	Confirmed Eligibility	One-tier	4.1	3	3	4	4	3	3.4	8	2	3	5.0	6.0	3	7	4.3
		Multi-tier	4.1	4	4	4	4	4	4.0	7	1	3	4.3	6.0	2	7	3.3
Monthly $ Credit	Self-Certification	One-tier	5.7	6	5	8	6	5	6.4	4	6	7	5.3	4.0	4	7	5.0
		Multi-tier	5.8	8	8	8	6	7	7.5	2	6	7	4.3	4.0	1	7	3.0
	Confirmed Eligibility	One-tier	4.0	3	3	4	3	3	3.2	7	2	3	4.8	7.0	2	7	3.7
		Multi-tier	4.0	4	4	4	3	4	3.7	6	1	3	4.0	7.0	1	7	2.7
Fixed discount	Self-Certification	One-tier	4.7	2	5	2	2	1	2.4	8	8	7	7.8	8.0	8	4	6.7
		Multi-tier	5.0	4	8	3	4	3	4.2	6	8	7	6.8	6.0	5	4	4.7
	Confirmed Eligibility	One-tier	3.4	1	3	1	1	1	1.2	9	3	3	6.0	9.0	4	4	4.0
		Multi-tier	3.5	2	4	2	2	2	2.1	8	2	3	5.3	8.0	3	4	3.0

Note: Blue numbers are formulas

Appendix C Regional Mobility Pricing Project 2022 Spring Engagement Summary