



Oregon

Tina Kotek, Governor

Oregon Transportation Commission


Office of the Director, MS 11

355 Capitol St NE

Salem, OR 97301-3871

DATE: January 11, 2024

TO: Oregon Transportation Commission



FROM: Kristopher W. Strickler
Director

SUBJECT: Agenda Item I – Toll Revenue Allocation

Requested Action:

Receive an informational presentation on allocation of toll revenues in preparation for future commission decisions on use of revenue.

Background:

Tolling will produce revenue that the Oregon Transportation Commission, as the toll authority for state highways, must allocate to a variety of purposes. Federal and state law provide direction on how toll revenues may and may not be used.

Federal law (23 USC 129) limits the use of toll revenue to a number of purposes.

- Debt service on projects for which the tolls are authorized.
- Maintenance, reconstruction, and rehabilitation of the toll road.
- If the toll authority certifies that the toll facility is being adequately maintained, surplus toll funds can be used for other transportation purposes eligible under federal law—primarily construction projects rather than general operations and maintenance.

State law also limits the use of toll revenue. Because a toll is a tax or excise on the ownership, operation or use of a motor vehicle, under Article IX Section 3a of the Oregon Constitution toll revenue must “be used exclusively for the construction, reconstruction, improvement, repair, maintenance, operation and use of public highways, roads, streets and roadside rest areas in this state”. Courts have interpreted this to include bicycle and pedestrian infrastructure within the road right of way as well as some transit capital expenditures within the road right of way, but it does not allow for expenditures on multiuse paths or transit operations.

Oregon Revised Statutes Chapter 383 also provides direction on how toll revenue may be used. Specifically, ORS 383.009 (Toll Program Fund) lists allowable uses of toll revenue, including “To finance the construction, renovation, operation, improvement, maintenance or repair of any tollway project” and “To make improvements or fund efforts on the tollway and on adjacent, connected or parallel highways to the tollway to reduce traffic congestion as a result of a tollway project, improve safety as a result of a tollway project and reduce impacts of diversion as a result of a tollway project.” No provision is made to allow for sharing revenue for general purposes.

In 2023, the Oregon Transportation Commission also set statewide policy on the allocation of toll revenue in the Oregon Highway Plan toll amendments (Goal 6). The Use of Revenue section (see attachment 01, policies 6.11 and 6.12) require that funds must be used within the project corridor and that ODOT address impacts to neighborhood health and safety within the corridor through mitigation investments and also set forth a hierarchy of toll revenue allocation:

- First, cover the cost of the tolling system, operations, maintenance, and administration.
- Second, for revenue focused tolling, reach the desired share of revenue needed to pay for the project, including long term operations, preservation, and maintenance of the infrastructure, as well as mitigation costs that are part of the project; for congestion focused pricing, manage congestion through multimodal investments within the traffic and multimodal corridors.
- Third, meet any additional system performance metrics defined for the corridor.

ODOT is taking steps, in coordination with partners in the region, to implement these requirements for the Oregon Toll Program. All three projects currently under development—I-205, Interstate Bridge, and Regional Mobility Pricing Project—are designed both to raise revenue to pay for transportation improvements and to manage congestion through variable rate tolling. For the I-205 Toll Project and the Interstate Bridge Replacement, tolling is planned to primarily raise revenue to pay debt service on bonds and loans used to finance the toll projects, but ODOT will also need to allocate revenue to mitigate impacts that are attributable to tolls. While the Regional Mobility Pricing Project is intended to differ somewhat from the bridge toll projects in applying variable rate tolling on longer sections of highway to better manage congestion, revenue generation is still a key element of the RMPP. RMPP revenue is planned to be used to pay for tolling startup capital and operations costs, maintenance of the tolled facilities, improvements laid out in the Urban Mobility Strategy, and mitigation of diversion caused by tolling.

Some partners within the Portland metro region have called for sharing of toll revenue with local governments, noting that tolling could cause significant additional diversion of traffic from the Interstate that will impact transportation facilities that are already functioning poorly due to regional traffic growth. ODOT has heard a variety of different requests, without a clear consensus on specifics of how revenue-sharing would work. Some partners have requested that ODOT be required to pay to mitigate toll-related impacts but do not believe ODOT has adequately accounted for these impacts; others have requested a specific share of toll revenue be dedicated to local governments so they can address local transportation needs.

Some partners have specifically cited the allocation of the State Highway Fund—which is split between ODOT (about 50%), counties (about 30%) and cities (about 20%)—as a model to be used for tolling. However, State Highway Fund revenue sharing is limited only to taxes and fees collected on a statewide basis like the fuels tax, weight-mile tax, and driver and motor vehicle fees. It is not applied to other revenues, particularly those raised at a local or project level. For example, ODOT collects vehicle registration fees and fuel taxes on behalf of many local governments across the state, and this revenue is provided exclusively to the local government that imposes the tax and not shared between the state, county, and cities (other than a small administrative fee to cover

ODOT's collection costs). Similarly, tolls imposed by any government agency, whether ODOT or a local government, are not subject to revenue sharing.

In order to bring more clarity to the specifics of local government requests, ODOT plans to have a discussion of revenue allocation at the January 22 Regional Toll Advisory Committee meeting. The goal is to clarify the positions of the various partners around the table and determine what revenue allocation means to those requesting a share of revenue. Information from this discussion will be shared with the OTC in order to help inform Commission decisions moving into the future.

ODOT plans to mitigate tolling impacts by avoiding or minimizing vehicle diversion (a.k.a. rerouting) from the tolled interstates onto the local road network through toll project development and, where necessary, by including design elements in the toll projects that reduce the effects of diversion on local roads. ODOT also intends to fund an adaptive traffic management process to address diversion impacts caused by tolling as identified through a monitoring program. The Oregon Toll Program Adaptive Traffic Management/Monitoring Framework is under development currently, with input from partner agencies. It will result in a collaborative, multi-agency process that establishes baseline conditions on corridors of concern near the tollway, as well as the locations for post-implementation monitoring. As determined by the framework, ODOT will work with local governments to identify emergent impacts specifically caused by toll-related rerouting and will fund appropriate investments to address the impact consistent with local goals and priorities. Revenue uses for specific investments will be correlated to the impact caused by tolling.

Outcomes:

ODOT will continue discussions with partners in the region through the Regional Toll Advisory Committee, as well as other forums, and will return to the Commission in March for further clarification of the agency's proposed toll revenue allocation approach consistent with federal and state law and Commission policy.

Attachments:

- Attachment 01 – Oregon Highway Plan Toll Amendments (Goal 6)

Goal 6: Tolling and Congestion Pricing

Introduction

There are many mechanisms to price the transportation system to raise revenue and/or help achieve desired outcomes. These mechanisms can be used in concert with one another when a single system is insufficient at either purpose. The focus of this section is to outline roadway pricing mechanisms to pay for specific high-cost infrastructure or to achieve congestion reduction or other outcomes along discrete sections of roadways. “Tolls” are included in this section, which refer to roadway pricing that focuses on creating revenue for the construction, and other outcome-based mechanisms targeting a desired performance on a roadway, segment, or area, such as helping to reduce congestion. These roadway pricing mechanisms are defined in this policy to help identify when use may be most appropriate and further policy direction is provided to outline how these mechanisms should be applied.

As with all transportation programs, Oregon will fulfill obligations under Federal law for the implementation of road pricing on the interstate system. Tolling and pricing have requirements and obligations that are unique to those programs and the state will ensure that all of these are met.

Types of Road Pricing

To simplify the various terms that are used for road pricing and align them with different policies, the following definitions will be used as key terms:

- 1. Tolling** – A fee set by the Oregon Transportation Commission (OTC) and charged by a road pricing operator for the use of traveling on said facility. Revenues from this type of road pricing are used for specific infrastructure such as bridges or tunnels and other project costs associated with the tolled infrastructures.
- 2. Congestion Pricing (Variable Rate Tolling)** – Fee ranges are set by the OTC and charged by a toll facility operator. Rates are higher during peak travel periods (such as morning and evening commute) and lower during off-peak periods. Current prices are displayed on electronic signs prior to the beginning of each priced section. With congestion pricing, motorists receive a reliable and less congested trip in exchange for the payment. Revenues from this type of road pricing may be used to support congestion relief through enhancements to the multimodal transportation system in addition to roadway infrastructure investments, as permitted by Federal law. Oregon will focus on scheduled variable rate pricing, as opposed to dynamic pricing, for its implementation of congestion pricing.

Scheduled variable rate pricing, typically called “variable pricing” varies by time of day according to a published schedule, which can be updated periodically. Although rates can be different for each hour and for each day, they are known to users in advance of travel. This encourages motorists to plan travel in advance to use the roadway during less-congested periods or use a different mode and allows traffic to flow more freely during peak times.

OHP Goal 6 DRAFT

Updated Working Draft Policy in Response to Comments Received

3. **Combination** – Fee ranges are set by the OTC and charged by a toll facility operator. Rates are established to achieve desired revenue targets for an infrastructure investment (tolling) and to improve reliability and congestion (congestion pricing). Revenue from this type of road pricing is used to pay for specific infrastructure and related project expenses in support of congestion reduction, including the potential for multimodal systems to support congestion reduction where consistent with this policy.

Financial analysis is important to determining whether or what type of tolling should be used. Before starting a toll project, a high-level funding plan utilizing tolling to pay for improvements should be complete.

Road Pricing Objectives

Tolling and congestion pricing are tools used to help achieve specific outcomes and can be used together.

6.1 Policy Utilize tolling, congestion pricing or a combination to achieve documented outcomes

6.1.A Action

When tolling is used to fund a specific improvement, consider adding congestion pricing if high levels of congestion exist or it is anticipated within the planning horizon.

6.1.B Action

Road pricing options must not conflict with, and try to support, other statewide goals around sustainability and climate, health and equity, with an emphasis on addressing the needs of historically or currently underrepresented and underserved communities.

6.1.C Action

Any road pricing options must consider the purpose and function of the facility, recognizing that the interstate and freeway system should serve longer trips and movement of people and goods to major employment and commerce locations.

6.2 Policy Utilize road tolls to help fund infrastructure improvements

6.2.A Action

Evaluate if tolling for major investment projects on Oregon's interstates, freeways, and bridges construction or re-construction should be a source for initial and sustainable funding when other funding sources are inadequate for investment needs.

6.2.B Action

Utilize tolling to raise funds for construction, operations, maintenance and administration of specific infrastructure.

6.2.C Action

Evaluate if tolling should be used to help pay for any project that is for the construction or re-construction of a freeway or bridge and anticipated to cost more than \$100 million.

6.2.D Action

Complete a comprehensive funding plan for projects utilizing tolling to pay for improvements. Include in the plan funding sources and relative funding shares, as well as analysis of the viability of the project if tolling does not move forward. Reasons for not pursuing tolling must verify how other funding sources will be impacted if the project still moves forward.

OHP Goal 6 DRAFT
Updated Working Draft Policy in Response to Comments Received

6.2.E Action

Consider tolling to cover the short- and long-term costs of the infrastructure improvement, as required by law and financing obligations, including: the initial capital outlay, cost of operating the tolling program, and revenue needed to cover long term maintenance, operations, and administration functions.

6.3 Policy Use congestion pricing to reduce traffic congestion

Reduce delays, stops-and-starts, and increase reliability of travel times through congestion pricing to improve overall mobility on Oregon's interstates and freeways where mobility targets are not met and the system is experiencing regular recurring congestion. The intent of congestion pricing is to change some users' behavior so that they choose a different mode of transportation, time of day, route or not to make the trip. Congestion pricing can be considered as a complementary part of a tolling project incorporating new or upgraded infrastructure, but also can be considered as a travel demand strategy for an interstate or freeway segment without any planned infrastructure projects on the priced facility.

6.3.A Action

Evaluate if congestion pricing should be used to help manage congestion for any interstate or freeway that exceeds an Annual Average Daily Traffic (AADT) to Capacity ratio (AADT/C) of 9.0 or greater or where average vehicle speeds are less than 45 mph.

6.3.B Action

Prior to adding new throughway capacity such as the addition of new through travel lanes, demonstrate that system and demand management strategies, transit service and multimodal connectivity improvements, and pricing cannot adequately address throughway deficiencies and bottlenecks.

6.3.C Action

Pair pricing with other actions to address roadway congestion holistically, including the use of ITS technology, access control and management, increasing modal options and implementing other demand management tools.

6.3.D Action

Utilize congestion pricing to have a moderate impact on reducing vehicle travel on interstates and freeways through an expected schedule (e.g. during peak hours).

6.4 Policy Connect to our climate goals and targets

Ensure that potential application of congestion pricing evaluates how it will help support state climate change goals and targets. While the primary purpose of congestion pricing is to achieve a congestion reduction and desired level of system performance, at the same time it is important that implementation of congestion pricing help reduce emissions. Emission reductions can be achieved by smoothing the flow of traffic that can reduce emissions and in some cases could also support reducing the general amount of vehicular travel. However, not every situation may result in a VMT reduction on the priced facility, but the analysis should still show how the project is helping achieve emission reductions and other climate goals.

OHP Goal 6 DRAFT
Updated Working Draft Policy in Response to Comments Received

6.4.A Action

Implementation of congestion pricing should be structured to encourage overall system wide VMT reduction where practical, but at a minimum must show emission reductions.

6.4.B Action

Evaluate implementation of road pricing as a strategy to limit or reduce future vehicular travel demand from planned land use development. Analysis should specifically look at projects that are adding significant through travel roadway capacity such as additional through lanes.

6.5 Policy Design and operate congestion pricing projects to support shifting travel to off-peak hours and to biking, walking, and public transportation

Structure pricing to encourage users to shift their trips to less busy times of day, other modes of transportation (e.g. public transportation, carpools, biking, and walking), or telecommute.

6.5.A Action

Evaluate available modal options prior to implementing roadway pricing to determine availability and accessibility of biking, walking and public transportation. During pricing project planning, develop investments, projects, and programs to support enhanced multimodal access through partnerships and investments beyond those that may be made from road pricing revenue.

6.5.B Action

Pursue congestion pricing strategies to manage demand so that the recurring congestion performance objectives are met during all hours of the day.

6.5.C Action

Upon completing toll bond obligations, consider congestion pricing strategies for ongoing reliability and demand management purposes.

6.5.D Action

While developing the tolling project and/or road pricing application, collaborate with transit agencies, local jurisdictions, and other modal groups on the following:

- Increase (or support) public transportation services, transportation option service providers, or biking and walking options for those unable to afford tolls within the project or project area
- Understand how the benefits of a better managed, less congested interstate or freeway may provide opportunities for new, expanded, or enhanced public and active transportation options
- Investments that produce reliable, emissions-reducing, and a competitive range of transportation options (bike, walk, bus, carpool, vanpool, etc.) provided to advance climate, safety, and mobility goals, and prioritize benefits to historically excluded and underserved communities.

OHP Goal 6 DRAFT
Updated Working Draft Policy in Response to Comments Received

6.6 Policy Center equity in road pricing

Equity must be considered and addressed in the design, implementation and management of road pricing. Equity efforts must focus on both “process equity” and “outcome equity,” which are defined as follows:

Process equity means that the planning process, from design to post-implementation monitoring and evaluation, actively and successfully encourages the meaningful participation of individuals and groups from historically excluded and underserved communities.

Outcome equity means that the toll or roadway pricing project will acknowledge existing inequities and will strive to prevent historically excluded and underserved communities from bearing the burden of negative effects that directly or indirectly result from the priced projects, and will further seek to improve overall transportation affordability, accessible opportunity, and community health.

6.6.A Action

Engrain equity into decision-making processes and ensure equity outcomes are achieved when developing, implementing, and managing road pricing programs, by:

- Ensure full **participation** of impacted populations and communities throughout the project and applications by identifying specific populations, groups, or geographic areas that will be used to discern for equity. The Agency must be accountable and transparent.
- Explore how road pricing application will impact overall household budgets, populations and communities and maintain **affordability**, in balance with other objectives.
- Projects will identify ways to support multi-modal access through partnerships and expand **opportunities** for historically excluded and underserved communities.
- Projects will consider the project impacts to outcomes such as community health, including air quality, noise, traffic safety, economic impacts and other potential effects on historically or currently excluded and underserved communities.

Rate Structures, Pricing Considerations, Exemptions and Discounts

Rate setting will be a critical step in tolling and congestion pricing processes. Specific rates are set in rule and the policy below provides the overarching structure for rate setting.

6.7 Policy Structure rates so as not to impose unfair burdens on people experiencing low-income and to advance equity

6.7.A Action

When planning for, implementing, and managing road pricing systems including rate setting, engage the following groups for feedback and analysis:

- People experiencing low-income or economic disadvantage
- Black, indigenous and people of color (BIPOC)
- Older adults and youth
- Persons who speak non-English languages, especially those with limited English proficiency
- Persons living with a disability
- Small, minority, and woman- owned businesses
- Other populations and communities historically underrepresented by transportation projects – this shall be determined at the project-level

6.7.B Action

To the greatest degree possible, investments that are necessary to advance equity must be delivered at the same time as investments and be in place when tolling begins, or beforehand.

6.7.C Action

Tolling must be a user-friendly system that is clear and easy to use by people of all backgrounds and abilities, including linguistic diversity, and those without internet access.

6.7.D Action

Road pricing should not contribute to furthering financial indebtedness for people experiencing low income. This should be considered in the establishment of rates, discounts, exemptions, payments, enrollment, penalties or free travel options available to avoid further burdening people experiencing low-incomes who are struggling to meet basic needs (food, shelter, clothing, healthcare, etc.).

6.7.E Action

Acknowledge tribal agreements in areas of priced corridors and set rates to reduce the burdens for tribal members.

Policy 6.8 Define a road pricing “project” as including, consistent with this policy, any planned capital investment, and diversion impacts or other mitigation needs that result from changes in travel behavior from the roadway price imposed.

OHP Goal 6 DRAFT
Updated Working Draft Policy in Response to Comments Received

6.8.A Action

The “capital investment” portion of a tolling or combined pricing project is the direct costs of building the infrastructure such as a lane, road, or bridge and operational expenses. Capital investments for congestion pricing may also include multimodal investments consistent with Oregon’s Constitutional restrictions and consistent with this policy.

6.8.B Action

“Traffic Diversion” shall be considered as vehicles that moves from a priced facility to a non-priced for:

- Longer trips (three miles or more), that should otherwise use the interstate, move to the local network

AND

Occur within the “corridor,” which is the immediate area of impact adjacent to the project, generally within 1 mile of the priced facility or as defined through the project-specific analysis as being impacted by the project. Additionally the corridor is limited to facilities that generally move traffic in the same direction.

OR

Occur within a broader geographic area because of lack of adjacent/parallel facilities, such as around bridges and/or major geometric barriers (rivers, mountains, ravines, etc.).

Infrastructure improvements to address such diversion may be considered when:

There is projected to be a substantial increase (a volume/capacity ratio of 0.05 or greater between the no build and build scenario) in traffic volumes on the local network and at intersections, or could likely increase fatalities or serious injury crashes as determined through predictive analysis.

AND/OR

The multimodal system is negatively impacted by increased traffic volumes that worsen the Level of Traffic Stress for people biking or walking, increase risks for fatalities or serious injuries, decrease access or result in significant transit delays or make transit trips less reliable.

6.8.C Action

“Multimodal Diversion” shall be considered as the movement of any person driving on the priced roadway to biking, walking, or public transportation systems. Such diversion is desired and should be encouraged.

Capital infrastructure improvements funding can be considered to better accommodate increased demand on these multimodal systems under the following conditions:

- Increases in ridership impacting capacity within the “public transportation corridor,” which is generally defined as major routes that accommodate movement of people to similar origins and destinations as the priced facility.

OHP Goal 6 DRAFT
 Updated Working Draft Policy in Response to Comments Received

- Gaps exist in the biking and walking system that prevent network connectivity on potential high-use routes generally moving traffic in the same direction within one mile of the priced facility, except where corridor options are more limited to geographical barriers.

6.8.D Action

Conduct project-level analysis, in partnership with impacted people and jurisdictions, to identify equity, environmental, or other impacts that are of a size and scale which may considered as part of the project.

6.9 Policy Set rates to help achieve desired outcomes

Structure rates to maximize revenue consistent with performance goals and objectives as outlined in policy and specified by the project while ensuring alternatives are evaluated throughout the planning and project delivery process.

Table XX: Summary of Road Pricing Mechanisms and Associated User Impact and Goals

Mechanism	Tolling	Congestion Pricing (variable rate)	Combination
USER EXPERIENCE			
One price to use	☑	⊗	⊗
Price changes throughout day	⊗	☑	☑
Predictable price for travelers	☑	☑	☑
DEMAND MANAGMENT			
Encourage shifts away from single-occupancy vehicle travel	☑	☑	☑
Support VMT reduction	⊗	☑	☑
Encourage shifts from peak travel to off-peak travel	⊗	☑	☑
TRAFFIC OPERATIONS			
Manages recurring traffic congestion (congestion pricing)	⊗	☑	☑

☑ Does achieve ⊗ Does not achieve

OHP Goal 6 DRAFT
Updated Working Draft Policy in Response to Comments Received

6.9.A Action

Set rates to achieve outcomes and performance targets with the understanding that outcomes will not likely be achieved through road pricing alone and additional revenue sources will be needed. Structure rates to meet the desired share from road pricing revenues.

6.9.B Action

Set rates sufficient to:

- Cover the operations, maintenance, preservation, and capital costs of the tolling or congestion pricing system and administration as is required by law
- Reach the desired revenue needed to pay for the planned share from tolling for the infrastructure improvement, operations, and maintenance
- Address mitigation costs that are part of the project
- Manage congestion to desired travel times, speeds, or reliability thresholds established for the project
- Meet any additional system performance metrics, defined for corridors, a series of corridors or by segments.
- Maintain the lowest possible toll rates for everyone while generating sufficient funds to meet the above needs

6.9.C Action

Rate setting decisions must be based on the following considerations that include equitable rate parameters. At a minimum, rate setting should include:

- Definition of a rate range to set a minimum and maximum threshold
- Consideration of condition thresholds for when a rate range may be exceeded
- Provision of discounted or free passage to be used for certain vehicles and users
- Definition of the project as defined in Policy 6.8

6.9.D Action

At least once per year, review rates to assess goal achievement and need for additional or revised exemptions and discounts.

6.9.E Action

When rate pricing over a longer length of roadway, allow variable rates to be applied in different roadway segments by defining road pricing zones. Zones should be as long as possible and should only be divided where there is a major system connection location that significantly changes the traffic characteristics as compared to an adjacent zone. The rates are then allowed to vary between zones.

6.10 Policy Provide discounts or exemptions to incentivize certain travel behaviors or address impacts

Understand how pricing impacts users and incorporate considerations for system users while achieving pricing outcomes.

6.10.A Action

Provide exemptions for active response vehicles (police, fire, EMS/ambulatory service).

OHP Goal 6 DRAFT
Updated Working Draft Policy in Response to Comments Received

6.10.B Action

Provide an exemption to public transportation vehicles, including private coaches as required under Federal law.

6.10.C Action

Provide discounts or account supplements for people who are experiencing low income and who are struggling to meet basic needs (e.g. food, shelter, clothing).

6.10.D Action

Evaluate and implement a low or no cost rate system for low income users.

6.10.E Action

Incentivize high-occupancy vehicles, such as shuttles, vanpools, and carpools.

6.10.F Action

Analyze and consider reducing toll rates when funding needs are achieved for the infrastructure improvement but ensure that toll remains to cover maintenance, operation and administration costs and that reduced rates will remain consistent with both project and statewide goals of congestion reduction.

OHP Goal 6 DRAFT

Updated Working Draft Policy in Response to Comments Received

Use of Revenue

6.11 Policy Utilize tolling or roadway pricing revenue within the project corridor

ORS 383.009(2)(j) states that moneys in the toll program fund may be used for improvements on the tollway, adjacent, connected and parallel highways to reduce congestion, improve safety and address impacts of diversion as a result of the tollway. Funds must be used within the project corridor as defined in Policy 6.8.B.

6.11.A Action

Address impacts to neighborhood health and safety within the corridor (mitigation) consistent with Policy 6.8, acknowledging that diversion, the choice of some drivers to choose off priced system routes, may have impacts to adjacent communities and coordinate with these communities to mitigate direct impacts when feasible.

6.11.B Action

Ensure compliance with U.S. Code Title 23 [Section 129](#) when a toll project is approved under this section. This section requires toll revenue first go to paying for transportation improvements with capital investments to which the toll project is linked.

6.12 Policy Follow a hierarchy of revenue allocation for road pricing projects

When construction projects are bonded, certain financial obligations must be met before discretionary spending may occur. Net revenues after such obligations should be targeted to meet statewide goals and meet all federal requirements, and those identified in Oregon’s constitution, and elsewhere as appropriate.

Spend revenue utilizing the following hierarchy:

	Objective		
	Tolling (revenue focused)	Congestion Pricing (congestion focused)	Combination (tolling and congestion pricing)
First step	Cover the cost of the tolling system, operations, maintenance and administration, as consistent with bond indenture requirements	Cover the cost of the tolling system, operations, maintenance and administration	Cover the cost of the tolling system, operations, maintenance and administration, as consistent with bond indenture requirements
Second step	Reach the desired share of revenue needed to pay for the project including long term operations, preservation, and maintenance of the physical infrastructure	Manage congestion through multimodal investments in biking, walking, and public transportation, and roadway infrastructure within the traffic and multimodal corridors.	Reach the desired share of revenue needed to pay for the project, with a focus on capital investments that support congestion reduction, while also addressing long term operations, preservation,

OHP Goal 6 DRAFT

Updated Working Draft Policy in Response to Comments Received

			and maintenance of the physical infrastructure.
Third step	Meet any additional system performance metrics, defined for the corridor	Meet any additional system performance metrics, defined for corridors, a series of corridors or by segments	Meet any additional system performance metrics, defined for corridor

6.12.A Action

When considering a project that is solely Congestion Pricing without any specific freeway infrastructure project on the priced segment, transit and multimodal transportation options should be a focus for revenue generation consistent with the State’s constitution and the policies of this section. This can be done through direct toll revenue allocation, when compliant with the Oregon Constitution, or through partnerships.

6.12.B Action

Larger investments in transit-supportive infrastructure, such as bus-on-shoulder and park-and-rides, could be funded through a capital investments approach. Investments in carpools, vanpools, shuttles, and other demand responsive type of shifts to higher occupancy vehicles should also be considered as they may better match the needs of longer-trip users of the interstate and freeway system.

Infrastructure and Management

6.13 Policy The Oregon Transportation Commission is Oregon's toll and roadway pricing authority

Per ORS 383.004 the OTC has been given authority over tolling and road pricing design, execution and management rules and decisions.

The OTC will implement pricing programs to raise revenue and/or manage congestion, independent of land use actions and decisions. Since pricing is a mechanism for system management, such as ramp metering, establishment of pricing rate adjustments are not to be considered land use actions.

6.14 Policy Collaborate with regional and local agencies and communities when:

- Setting, evaluating, and adjusting mobility goals
- Identifying traffic safety and diversion impacts and mitigations
- Setting rates and determining revenue allocation
- Conducting long term oversight of roadway pricing

6.14.A Action

Engage local policy makers and stakeholders throughout road pricing development and management, clarifying roles and responsibilities. If the project will impact travelers and residents across state lines, involve voices from those locations in the process.

6.14.B Action

Ensure widespread awareness pricing and tolls through leveraging existing programs and opportunities to boost enrollment in discount programs for those who qualify.

6.15 Policy Ensure interoperability of toll rate collection systems

Design systems that are easy to use and maximize interoperability with other known systems of neighboring states, weight mile tax devices and ITS systems while maximizing options for users.

6.15.A Action

Deploy technology that facilitates interoperability with tolling systems of neighboring states whenever possible.

6.15.B Action

For any proposed tolling or congestion pricing project on an interstate or freeway, ODOT shall develop tolling systems that rely on all-electronic collection mechanisms, and enable at least one manner of toll collection that does not require a transponder.

6.15.C Action

For any proposed tolling or road pricing project on an interstate or freeway, ODOT will develop and utilize tolling technologies and systems that are based on common standards and an operating sub-system accessible by the marketplace where components performing the same function can be readily substituted or provided by multiple

OHP Goal 6 DRAFT
Updated Working Draft Policy in Response to Comments Received

providers to the extent possible while compatible with tolling systems in the Washington and California whenever possible.

6.15.D Action

Provide a “cash preferred” option for paying road pricing fees in order to reduce barriers to use of the transponders.

6.16 Policy Complete program assessment, monitoring, and adjustments

Once established, evaluate tolling and congestion pricing programs regularly against project specific objectives. Along with financial obligations, this will inform any future adjustments to the rate schedule and other program design adjustments.

6.16.A Action

Establish a monitoring and reporting program, which should include: vehicle speed, volume, driver pattern changes within the corridor (e.g. diversion or rerouting), levels of congestion, modal shifts, air quality, GHG emissions, and equity goals identified on a project-level basis. Data should capture the benefits and impacts to multimodal transportation, which includes: freight, light rail, transit, passenger vehicles (single and high-occupancy), bike, walk, and telecommute. It is acknowledged that varying levels of data exist for these modes and thus information may vary by level of detail or frequency.

6.16.B Action

The OTC will evaluate and adjust all road pricing programs on a regular basis with a minimum of annual review, with consideration to effectiveness toward goals, rate adjustments and revenue generation thresholds.

6.16.C Action

Continually assess the cumulative impact of fees and tolled/priced areas on people experiencing low income.

6.16.D Action

Actively monitor cost allocation between light and heavy vehicles as a part of the highway cost allocation and adjust as needed and ensure compliance with Oregon state constitution requirements.