

Proposed Amendments to
House Bill 2098 -1
Rough Draft

Requested by JOINT COMMITTEE ON TRANSPORTATION (at the request of Senator Chris Gorsek, Representative Susan McLain, Senator Brian Boquist, Representative Shelly Boshart Davis and Senator Lew Frederick)

4/10/23

In line 2 of the printed bill, after <<transportation>> insert <<; creating new provisions; amending ORS 366.506 and section 2, chapter 4, Oregon Laws 2013, and section 75, chapter 750, Oregon Laws 2017; repealing sections 3, 11, 12 and 13, chapter 4, Oregon Laws 2013; and declaring an emergency>>.

After line 2, insert:

Whereas the current Interstate 5 Bridge connecting Portland, Oregon and Vancouver, Washington is over 100 years old and have exceeded their useful lifespan, leading to frequent traffic congestion and safety hazards; and

Whereas the Interstate 5 Bridge serves as a critical transportation link between two major metropolitan areas and is vital for the economic growth and development of the region; and

Whereas a replacement bridge would improve traffic flow, reduce congestion and travel times and enhance safety for all users, including pedestrians, cyclists and drivers; and

Whereas the Interstate 5 Bridge Replacement Project will create numerous job opportunities and stimulate economic growth by attracting new businesses and improving the efficiency of freight movement; and

Whereas the Interstate 5 Bridge Replacement Project has received strong support from local businesses, elected officials and community groups, reflecting the broad consensus that it is essential for the region's continued prosperity and well-being; and

Whereas the federal government provides an opportunity for Oregon to leverage federal dollars to invest in critical infrastructure and create a more resilient transportation system; and

Whereas the Interstate 5 Bridge Replacement Project aligns with the state's transportation goals, including increasing access to alternative modes of transportation, improving safety and mobility and enhancing regional connectivity; and

Whereas the Interstate 5 Rose Quarter Improvement Project has been identified as a project of statewide significance in the transportation package House Bill 2017 (2017); and

Whereas the Interstate 5 Rose Quarter Improvement Project funding remains a priority project for the State of Oregon; and

Whereas the completion of the Interstate 5 Rose Quarter Improvement Project should not be dependent upon tolling revenue; and

Whereas the Department of Transportation is considering a tolling program for improvement projects in the Portland metropolitan region as described in House Bill 2017 (2017) and House Bill 3055 (2021); and

Whereas the Legislative Assembly and the Oregon Transportation Commission should consider market impacts, equity across road users and safety when implementing a tolling program and establishing tolling rates; and

Whereas maintaining the balance between the cost responsibility of light and heavy vehicles is essential to fairness and ensuring that the state's transportation system remains financially sustainable and can continue to meet the needs of its users; and

Whereas the Legislative Assembly shall account for the present and historical accuracy of the Highway Cost Allocation Study by requiring a review of past study parameters; and

Whereas it is the goal for the State of Oregon that improvements to vehicle technology and mobility improvements reduce greenhouse gas emissions from the

transportation sector; and

Whereas technological improvements that impact funding to the Department of Transportation shall be assessed and considered to provide for a multi-modal transportation funding system that is equitable for all vehicle types and classes; and

Whereas the Joint Committee on Transportation is working toward a 2025 regular session transportation package; now, therefore,

Delete lines 4 through 11 and insert:

:SECHDG.

INTERSTATE 5 BRIDGE REPLACEMENT PROJECT

:NPAR.

SECTION 1. Section 2, chapter 4, Oregon Laws 2013, is amended to read:

Sec. 2. (1) The Legislative Assembly finds that it is in the interests of this state to undertake the Interstate 5 bridge replacement project[;].

(2) As used in ORS 381.005 to 381.020, <<Interstate 5 bridge replacement project>> means a bistate, multimodal corridor improvement project between the Washington State Route 500 interchange with Interstate 5 in Vancouver, Washington, and the **Columbia Slough, south of the** Victory Boulevard interchange with Interstate 5 in Portland, Oregon. The project includes:

~~[(1)]~~ **(a)** New multimodal river crossings;

~~[(2)]~~ **(b)** Replacement, modification and removal of the existing Interstate 5 bridges;

~~[(3)]~~ **(c)** Improvements to existing interchanges; and

~~[(4)]~~ **(d)** Multimodal improvements to facilitate travel in the bistate corridor.

:SECHDG.

FINANCING FOR THE INTERSTATE 5 BRIDGE REPLACEMENT PROJECT

:NPAR.

SECTION 2. Sections 3 and 4 of this 2023 Act are added to and made a part of ORS 381.005 to 381.020.

SECTION 3. (1) The total cost of the Interstate 5 bridge replacement project may not exceed \$6.3 billion after the effective date of this 2023 Act.

(2) The Legislative Assembly intends to support the Interstate 5 bridge replacement project through an investment of \$1 billion, financed through the issuance of general obligation bonds authorized under Article XI, section 7 of the Oregon Constitution over the next four biennia and repaid with General Fund obligations.

SECTION 4. Revenue bond limits. (1) It is the intent of the Legislative Assembly that, in addition to any other funding, moneys from the United States Government or toll revenues collected as part of the project be used:

(a) To directly fund the Interstate 5 bridge replacement project;

(b) To repay other borrowings for the project; or

(c) To be pledged alone or with other security to lower the costs of other borrowings for the project.

(2) If necessary to secure certain federal funds to finance a portion of the Interstate 5 bridge replacement project, the Department of Transportation may take action or undertake an analysis to determine the most appropriate delivery model for the project as required under applicable federal law.

:SECHDG.

INTERSTATE 5 BRIDGE REPLACEMENT PROJECT REPORT AND FINDINGS

:NPAR.

SECTION 5. No later than February 1 of each year, the Department of Transportation shall prepare and submit a report, in the manner provided in ORS 192.245, to an appropriate committee or interim committee of the Legislative Assembly regarding the progress of the Interstate 5 bridge replacement project described in section 2, chapter 4, Oregon Laws 2013.

SECTION 6. Section 5 of this 2023 Act is repealed on January 2, 2041.

SECTION 7. (1) As used in this section, <<Interstate 5 Bridge Replacement

Project>> has the meaning given that term in section 2, chapter 4, Oregon Laws 2013.

(2) The Legislative Assembly finds that it is in the interest of Oregon and Washington to ensure the project contracting process and public procurement process for the Interstate 5 Bridge Replacement Project are structured to protect impartial and open competition, protecting both the integrity of the process and procurement and maximizing the ability of Oregon and Washington contractors to compete on the Interstate 5 Bridge Replacement Project.

:SECHDG.

HIGHWAY COST ALLOCATION STUDY

:NPAR.

SECTION 8. ORS 366.506 is amended to read:

366.506. (1) Once every two years, the Oregon Department of Administrative Services shall conduct ~~[either a full]~~ a highway cost allocation study ~~[or an examination of data collected since the previous study]~~. The purposes of the study ~~[or examination of data are]~~ is to determine:

(a) The proportionate share that the users of each class of vehicle should pay for the costs of maintenance, operation and improvement of the highways, roads and streets in the state; and

(b) Whether the users of each class are paying that share.

(2) Each study must include:

(a) An examination of the most recent study period for which actual data are available for the purposes of determining the accuracy of the most recently published study results; and

(b) An examination of the prospective study period based on projected data for the purposes described in subsection (1) of this section.

~~[(2)]~~ **(3)** The department may use any study design it determines will best accomplish the purposes stated in subsection (1) of this section. In designing the study the department may make decisions that include, but are not limited to, the methodology to be used for the study, what constitutes a class of vehicle for purposes of collection of data under subsections ~~[(1) to (4)]~~ **(1) to (5)** of this section and the nature and scope of costs that will be included in the study.

~~[(3)]~~ **(4)** The department may appoint a study review team to participate in the study ~~[or examination of data]~~ required by subsection (1) of this section. The team may perform any functions assigned by the department, including but not limited to consulting on the design of the study.

~~[(4)]~~ **(5)** A report on the results of the study ~~[or examination of data]~~ shall be submitted to the legislative revenue committees and the legislative committees with primary responsibility for transportation by January 31 of each odd-numbered year.

~~[(5)]~~ **(6)** The Legislative Assembly shall use the report described in ~~subsections (1) to (4)]~~ **subsection (5)** of this section to determine whether adjustments to revenue sources described in section 3a (3), Article IX of the Oregon Constitution, are needed in order to carry out the purposes of section 3a (3), Article IX of the Oregon Constitution. If such adjustments are needed, the Legislative Assembly shall enact whatever measures are necessary to make the adjustments.

SECTION 9. (1) The Oregon Department of Administrative Services shall prepare and submit a report that includes an analysis of, at least, the three most recent reported highway cost allocation studies.

(2) For each of the three previous study periods, the analysis must:

(a) Evaluate the amount that users of each class of vehicle actually paid for the cost of maintenance, operation and improvement of highways, roads and streets in the state; and

(b) Whether the amount paid was a proportionate share of those costs.

(3) The department shall submit the report in the manner provided by ORS 192.245, to the Joint Committee on Transportation no later than September 15, 2025.

SECTION 10. Section 10 of this 2023 Act is repealed on January 2, 2026.

:SECHDG.

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INTERSTATE 5 ROSE QUARTER PROJECT

:NPAR.

SECTION 11. (1) The Legislative Assembly finds that, of the transportation projects listed in ORS 367.095, the Interstate 5 Rose Quarter Project, remains the priority project of statewide significance. Completion of the project will improve freight routes, supply Oregon through interstate commerce, enhance the flow of traffic in the City of Portland and reduce congestion.

(2) The Legislative Assembly affirms its intent to fully fund the project in the 2024 and 2025 regular sessions of the Legislative Assembly.

SECTION 12. Section 13 of this 2023 Act is repealed on January 2, 2026.

:NPAR.

SECTION 13. Section 75, chapter 750, Oregon Laws 2017, is amended to read:

Sec. 75. (1) The Oregon Transportation Commission shall conduct a study. The purpose of the study is to determine:

(a) The proportionate share that users of vehicles that are powered by different means should pay for the costs of maintenance, operation and improvement of the highways in this state; and

(b) Whether users of vehicles that are powered by different means are paying that share.

(2) If the commission determines that users are not paying a proportionate share, then the commission may include in the report recommendations for legislation.

(3) This section applies to users paying the vehicle registration fee under ORS 803.420 (6)(a).

(4) The commission shall report the results of the study to the Joint Committee on Transportation established under section 26, chapter 750, Oregon Laws 2017 [of this 2017 Act], in the manner provided by ORS 192.245, no later than September 15, 2023.

(5) Not later than December 15, 2023, the commission shall submit recommendations for legislation, based on the results of the study, in the manner provided by ORS 192.245, to the Joint Committee on Transportation.

SECTION 14. (1) The Joint Committee on Transportation shall study the adequacy of funding provided under chapter 750, Oregon Laws 2017, in meeting the transportation infrastructure requirements of this state.

(2) The joint committee must complete the study required under subsection (1) of this section before September 15, 2024. SECTION 15. Section 14 of this 2023 Act is repealed on January 2, 2025.

:SECHDG.

REPEALS

:NPAR.

SECTION 16. Sections 3, 11, 12 and 13, chapter 4, Oregon Laws 2013, are repealed.

:SECHDG.

CAPTIONS

:NPAR.

SECTION 17. The unit and section captions used in this 2023 Act are provided only for the convenience of the reader and do not become part of the statutory law of this state or express any legislative intent in the enactment of this 2023 Act.

:SECHDG.

EFFECTIVE DATE

:NPAR.

SECTION 18. This 2023 Act being necessary for the immediate preservation of the public peace, health and safety, an emergency is declared to exist, and this 2023 Act takes effect on its passage.

