



TINA KOTEK
GOVERNOR

March 11, 2024

Julie Brown, Chair
Oregon Transportation Commission
355 Capitol Street NE, MS 11
Salem, OR 97301

Lee Beyer, Vice Chair
Oregon Transportation Commission
355 Capitol Street NE, MS 11
Salem, OR 97301

Chair Brown and Vice Chair Beyer,

Thank you for all your work to evaluate congestion pricing and project-based tolling in the Portland Metro Region. I appreciate your willingness to lean into difficult conversations, ask hard questions, and reevaluate our course of action when the time arises. Now is one of those times.

The state's path towards implementing tolling in the Portland metro area is uncertain, at best. After years of work, the challenges of implementing the Regional Mobility Pricing Project (RMPP) have grown larger than the anticipated benefits. Therefore, I believe it is time to bring the agency's work on the RMPP to an end and delay additional expenditures for implementation of tolling on I-205 to the future when the legislature can further evaluate and provide clearer direction on tolling. Taking this action today will allow the state to focus its limited resources on high priority needs and provide an opportunity for meaningful legislative conversations about alternative revenue sources in the 2025 legislative session.

Any delay to building tolling infrastructure in Oregon must not impact the collection of toll revenues for the Interstate Bridge Replacement project (IBR). ODOT and the Commission shall work with our partners in Washington to develop a transition plan to utilize the Washington State Department of Transportation's tolling infrastructure for IBR to keep this important project on track.

In 2023, at the urging of local jurisdictions and elected officials, I asked you to delay toll collection until 2026 so that ODOT could develop an updated finance plan for the Urban Mobility Strategy and a comprehensive report on the agency's work on equity impacts of tolling and traffic mitigation. A primary goal of the finance plan was to document the costs of the I-5 Rose Quarter Improvement and the I-205 Improvements projects and daylight the extent to which tolling revenues were assumed in their financing. The finance plan made clear that rising project costs and uncertainty around future toll revenues meant that the state did not have all the funding needed to proceed with the full strategy as originally envisioned. The finance plan also included costs associated with advancing the RMPP and the tolling program overall.

The purpose of the equity and mitigation report was to comprehensively document what steps had and had not been taken and to respond to ongoing concerns raised by Portland metro area legislators, local elected officials, and the public about traffic diversion and revenue sharing. The report was transparent, comprehensive, and reflected the state's commitment to extensive community engagement over many years. The report also highlighted that a toll program which keeps toll rates low enough for working families and raises enough funding for major projects would fail to meet expectations for local project funding and revenue sharing.

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Our state has a dire need to diversify and grow transportation resources. As you know, ODOT faces catastrophic funding challenges which must be tackled head on in the 2025 legislative session. I support the OTC and the legislature's Joint Committee on Transportation's ongoing work to address the state's transportation needs and look forward to working in partnership with you to secure stable and reliable funding.

The decision to stop the work on the RMPP, and pause development of Oregon's toll collection program, is not one I come to lightly. I fully appreciate that canceling and delaying alternative funding tools will only make our challenges greater in the near term, but I am confident that a more robust conversation on funding options will yield greater understanding and direction for our future moving forward.

Thank you for your time and attention to this important matter.

Sincerely,

A handwritten signature in black ink, appearing to read "Tina Kotek". The signature is fluid and cursive, with the first name "Tina" being more prominent than the last name "Kotek".

Governor Tina Kotek

cc: Oregon Department of Transportation Director Kris Strickler