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March 15, 2021

Members, Joint Committee on Transportation 900 Court Street NE, Salem, OR 97301

## RE: 1000 Friends Opposes the HB 3065 -5 Amendments

Dear Chairs Beyer and McLain, members of the Joint Committee on Transportation,

Thank you for the opportunity to provide testimony on HB 3065 and the -5 amendments. 1000 Friends of Oregon is a nonprofit, membership organization that works with Oregonians to support livable urban and rural communities; protect family farms, forests and natural areas; and provide transportation and housing choice.

1000 Friends has strong concerns over the -5 amendments to HB 3065, particularly the shift in ODOT programming away from congestion pricing to tolling. While sometimes used interchangeably in conversation, the distinction in choosing a congestion pricing policy versus a tolling policy has dramatic impacts on how the program is used, and what its impacts are. As HB 2017 was drafted and passed, funds generated from congestion pricing would go into a congestion relief fund that could have multiple uses, such bridge construction, improved local auto and pedestrian connections, transit investments, and more. Comparatively speaking, a tolling policy scheme bonds revenue to specific projects and outcomes, often at the point of a project such as the Bridge of the Gods in the Columbia River Gorge. Tolling programs are not designed for the long term management of traffic in a region, and cannot be coordinated to manage diversion or impacts on low income folks.

Likewise, from a land use perspective, congestion pricing also helps support a less-autocentric society which in turn makes them more livable, affordable, and sustainable. While it might be easy to think this turn of phrase only applies to baseball fields, "If you build it, they will come," also applies to our roads. Roadway Induced demand tells us that roadway expansion doesn't work because we think about traffic in a fundamentally wrong way. "Adding new roadway capacity also creates new demand for those lanes or roads, maintaining a similar rate of congestion, if not worsening it. Economists call this phenomenon induced demand: When you provide more of something, or provide it for a cheaper price, people are more likely to use it. Rather than thinking of traffic as a liquid, which requires a certain volume of space to pass through at a given rate, induced demand demonstrates that traffic is more like a gas, expanding to fill up all the space it is allowed.<sup>1</sup> 2"

<sup>1</sup> Traffic Jam? Blame 'Induced Demand.'

<sup>&</sup>lt;sup>2</sup> Generated Traffic and Induced Travel



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This is one of the key design features of congestion pricing: it places pressure on the transportation system that helps discourage trips on our highways. Tolling, and specifically bonding for roadway projects as it is clear that ODOT wants to do in this instance, does not allow for real congestion management, and only further reinforces traffic congestion by then expanding roadways. True congestion management means finding ways to use our existing piping more efficiently and effectively rather than continual cycles of congestion and roadway expansion. This is essential for meeting our state's climate goals, as well and the financial stability of ODOT itself, which has has a projected budget shortfall of \$200 million in 2020, with revenues growing by 2% per year while operational costs continue to grow at 6% a year and the Highway Trust Fund set to go insolvent by 2024 faced with upkeep on its current roads alone.<sup>3</sup>

Congestion pricing is a key livability tool, and has been proven to work across the United States with strong local support <sup>4</sup>. The creation of a tolling program designed to fund roadway projects only increases development and transportation costs for both community members and local governments in a vicious cycle of sprawl. Congestion pricing, among a suite of other transportation, land use, and housing policies all can help to decrease congestion, address climate change, create more livable communities, support alternative modes of transportations, and so many other benefits-- but only when sticking to the original congestion pricing concept laid out in HB 2017, which the -5 amendments does not.

Thank you,

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<sup>&</sup>lt;sup>3</sup> https://www.thechronicleonline.com/news\_paid/200-million-shortfall-odot-faces-budget-challenges

<sup>&</sup>lt;sup>4</sup> Congestion Pricing: Examples Around the US - One Page Brief - Electronic Tolling / Congestion Pricing