

Retired ODOT deputy director: State should face truth or consequences over tolling

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- Jul 19, 2023



Traffic crosses the Interstate 205 bridge between Oregon City and West Linn.
courtesy photo: ODOT

ODOT's [plans to toll freeway traffic over the Abernethy and Tualatin I-205 bridges](#), Interstate and Boone I-5 bridges, and along other unspecified highways could lead drivers to pay 20 times the cost of their current gas tax rates.

My analysis of traffic data indicates that many households and businesses would suffer financially with proposed tolls of \$2.20 per bridge. Households and businesses in the I-205 project area making daily trips on the freeways — not only to work, but also to schools, shopping and social activities — could see yearly toll bills exceeding \$2,000.

Oregon House Bill 2017, which passed in 2017 and became law, directed ODOT to use tolls on highways as a new source of revenue. ODOT now depends on taxes on gasoline and diesel fuel, weight-mile taxes, vehicle registration, driver licensing, vehicle titling fees and road-use assessments to fund its programs and projects. These revenues are shared with counties and cities using a formula set by the legislature.

The first tolls are likely to be imposed at the I-205 Abernethy Bridge in Oregon City. Federal regulations allow bridges that are reconstructed to be tolled. Abernethy Bridge is currently being upgraded so tolls can be imposed there. Tolling could be in effect in early 2026, after the governor's "pause in tolling" ends. [Tolling was delayed](#), according to Gov. Tina Kotek's news release, because of income equity issues associated with tolling. Otherwise, [tolls would have started in early 2024](#).

The ODOT website has information on each of the potential projects that are subject to tolls. I found the information too general and lacking on what tolls may cost people who use I-205 and I-5. As a result, I decided to do my own toll cost and revenue estimates.

ODOT experts, when estimating what a major project may cost, start with a “planning estimate” made before preliminary engineering is underway. A 60% range is usually used. If the planning estimate is \$1 billion, the cost range would be \$400 million to \$1.6 billion. Those of you following the I-5 Interstate Bridge Project, I-5 Rose Quarter Project and I-205 Toll Project have seen these projects’ most recent estimated construction costs increase and exceed the high-end of the planning estimate range. None of these projects met their original schedules. Delays usually add to the cost of a project.

Recently, ODOT said construction costs have increased 50% over the last two years. So, how does the average person go about estimating what tolls placed on these projects will cost freeway users? I have attempted to do this using average daily traffic volumes on the two freeways where the tolls would be charged, and toll rates suggested by ODOT for the I-205 project.

ODOT proposed to toll \$2.20 during peak traffic hours at both the Abernethy Bridge and Tualatin River Bridge. This toll could cost a commuter making a round trip \$1,144 annually. That commuter, driving about 15,000 miles a year and getting 25 miles per gallon, would pay \$228 in state gas taxes, which works out to be 1.5 cents per mile driven. The \$2.20 toll charge is 31 cents per mile for the 14-mile round trip between the two bridges.

In meetings ODOT has stated tolls could be varied to discourage freeway trips during rush hours. Rates over \$4 have been mentioned. My estimates could be low.

Let’s look at what toll revenue collections might be once tolls are in effect at the I-5 Boone Bridge, I-205’s Tualatin and Abernethy bridges, and the Interstate Bridge. I used average daily traffic counts at each of these locations, and peak-hour toll rates that ODOT used for the I-205 Toll Project. I assumed 60% of the average traffic occurs during peak hours and subtracted 10% from peak-hour traffic because some of the freeway traffic will reroute to avoid the toll. I subtracted 20% from the average daily traffic counts to account for low-income persons ODOT says will have what they call “toll abatement.” The result: Rush-hour tolls alone could raise \$191 million annually. But ODOT plans to toll 24/7. If one adds revenue from tolls that will also be in effect during off-peak hours, the additional revenue would be about \$50 million. Total toll collections could be \$241 million annually. Since my estimate is at a planning level, let’s use ODOT’s planning level factor of 60% for the annual toll revenue range. The range using this percentage is \$145-\$385 million each year. Double that if tolls end up at \$4 or more.

I should point out that toll rates will be set by the Oregon Transportation Commission, a five-member body appointed by the governor. ODOT takes its direction from this commission. Is it a wonder the legislature directed ODOT to pursue tolling, now six years ago, and gave a non-elected body the authority to set tolls? I don't think so. Raising taxes is not a politician's favorite platform.

Today, motor-vehicle fuel taxes and equivalent weight-mile taxes on trucks weighing over 26,001 pounds collect about \$1.1 billion annually. Recent news releases say ODOT is in dire financial straits. Since counties and cities get a share of this revenue, one can assume their transportation revenue picture is no better than ODOT's. Will toll revenue be the answer? The legislation passed in 2017 does not place toll revenue in a revenue sharing account. Counties and cities will not get their share unless a future legislature makes this happen.

2017 was the last time Oregon legislators voted to increase motor-vehicle fuel taxes and heavy-truck taxes. Their 10-cent gas-tax increase has been gradually going into effect: 4 cents in 2018, 2 cents in 2020, 2 cents in 2022 and a 2-cent increase remains on Jan. 1, 2024. Why not look at more fuel tax increases? The 2017 increases now raise \$500 million each year, and these revenues are shared with counties and cities. Believe it or not, the 2023 legislature did not discuss highway tolls or taxes. It instead authorized \$1 billion from Oregon's General Fund, not the State Highway Fund, for the Interstate Bridge Project.

Oregon's General Fund historically is used for human and social services needs across the state. One could conclude the legislature is avoiding gas tax hikes like the plague. Motor vehicle taxes and fees increases will cost you a fraction of what tolls will cost you to drive on Portland-area freeways, and perhaps other highways as well. Are tolls alone the answer? I hope the information I have shared will help you decide.