

# Toll Implementation Update

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September 14, 2023 OTC Meeting



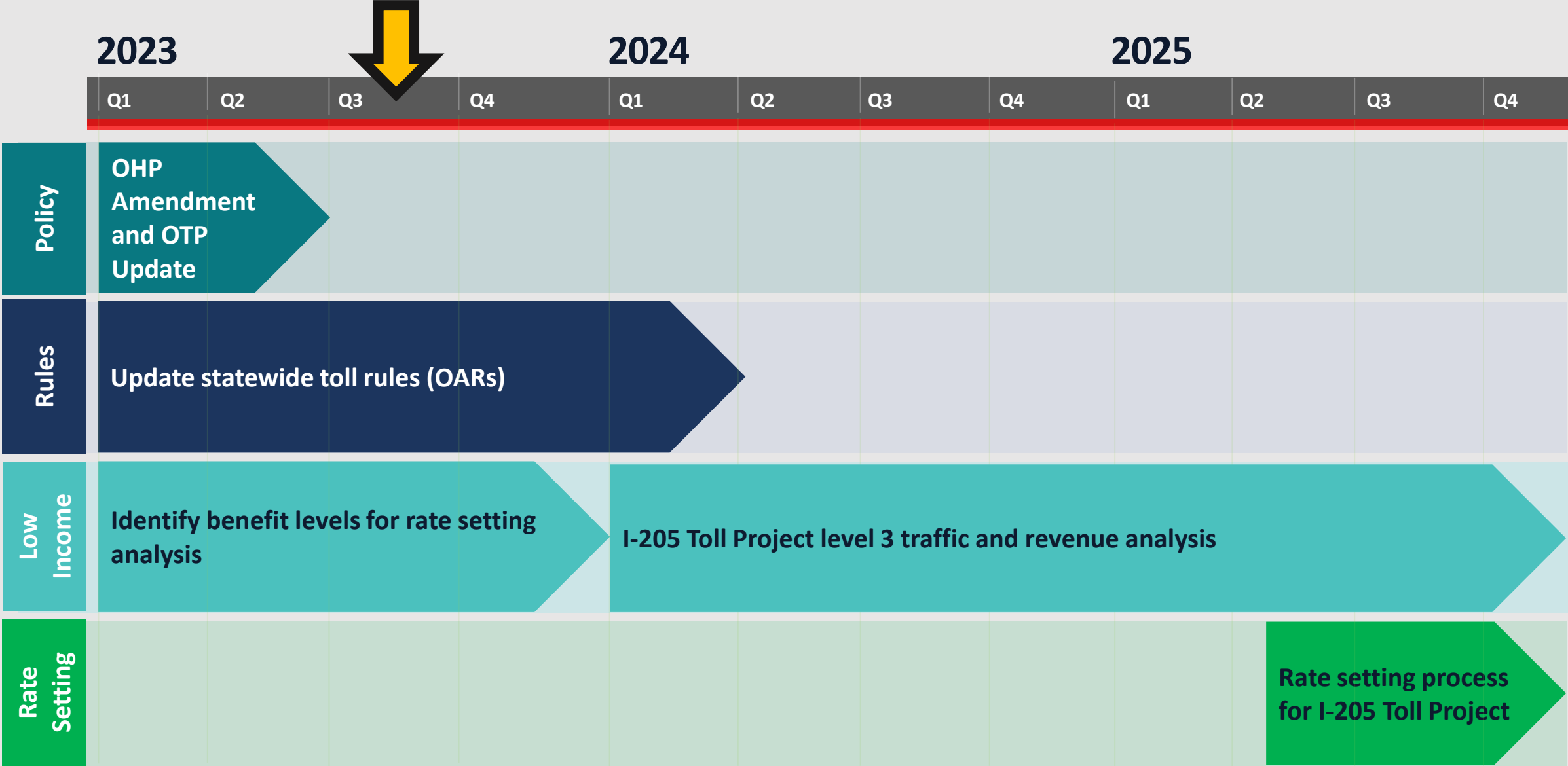
# Toll Policy Decision-Making Process

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# Timeline: OTC Toll Policy Decisions

NOTE: Interstate Bridge Replacement Program to be decided through bi-state process



# Progress Toward Implementation

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- Statewide Toll Rule Advisory Committee (STRAC) has begun work on rate structure components of the rule
- Further analysis and engagement on low-income toll program
- Procurement for commercial back office system/customer service center has hit the street
- Consultation with tribal governments is ongoing
- Discussions with toll interoperable partner states, agencies and companies have begun

# Major Issues to Address

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- Defining the low-income toll program thresholds and extent
- Operationalizing required toll exemptions
- Determining tolls on tribal government vehicles and members
- Establishing rates by vehicle size/type (trucks vs. cars)
- Developing I-205 Toll Project and Regional Mobility Pricing Projects rate structures
- Defining nexus projects and mitigation
- Developing a public transportation strategy



# Key Policy Issue: Low Income Toll Program

# Low Income Toll Program Inputs

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- Recognition of existing transportation funding sources and impact on people experiencing low incomes
- HB 3055 provided direction to develop an income-based toll program and required report to Legislature
- Past OTC decisions on the Low Income Toll Report and Oregon Highway Plan Toll Amendment provided direction
- Equity and Mobility Advisory Committee's recommendations on strategy for program investment and accountability

# Rationale for 200% FPL

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- Ability to rely on existing service providers for income verification, similar to TriMet's Low-Income Fare Program (200% of FPL)
- 200% FPL is a common practice used by the few operating low-income toll programs
- People at this income-level face daily challenges to pay for basic survival needs
- Ability to attract certain users back to the toll facility



# Rationale for an Additional Benefit Level

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- Avoid a single-tier benefit cliff
- Reach customers at the minimum wage, between 200% and 400% FPL (preschool teachers, cooks, home health care, etc.)
- Attempt to not further transportation cost burden on households
- EMAC has been strongly supportive of a 400% FPL benefit-level

# Federal Poverty Level (FPL) and Median Income by Household Size

Household Size	200% Federal Poverty Level (2023)	400% Federal Poverty Level (2023)	Portland Metro Region Median Household Income (2022)
1	\$29,160	\$58,320	\$74,550
2	\$39,440	\$78,880	\$85,200
3	\$49,720	\$99,440	\$95,850
4	\$60,000	\$120,000	\$106,500
5	\$70,280	\$140,560	\$115,020
6	\$80,560	\$161,120	\$123,540

# ODOT Recommendation for Low-income Toll Program Decisions

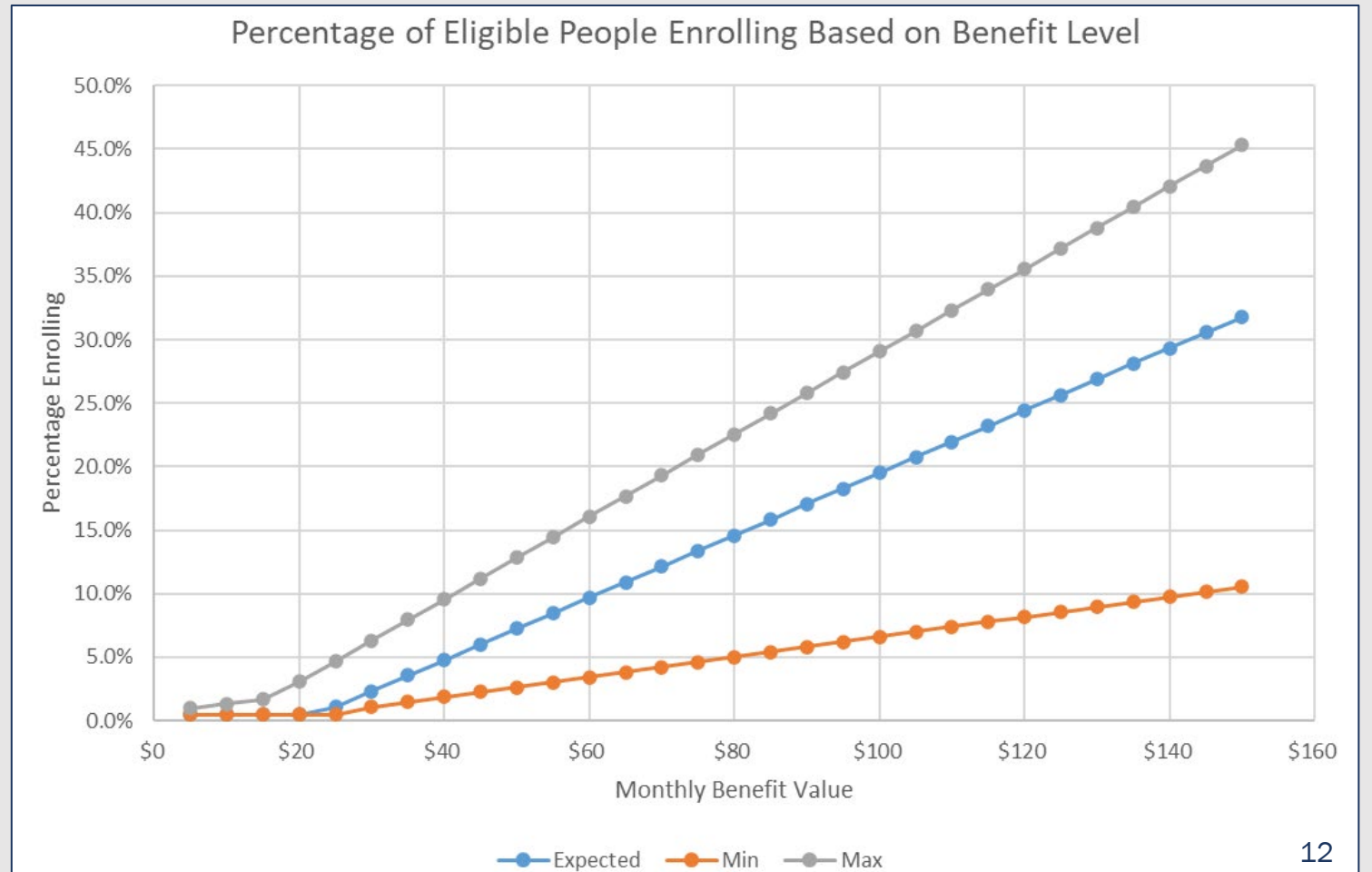
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By end of 2023:

- Commit to program for up to 200% of FPL and identify benefit level, with further analysis to confirm/refine
- Determine options for a 200-400% of FPL program to analyze in greater depth to allow OTC to make a decision in 2025
- Identify the geographic extent

# Low Income Program Research

- Only a portion of eligible people enroll in any benefits program
- Enrollment rate depends on value of benefit; higher benefits lead to higher enrollment
- Most low-income toll programs have very low enrollment



# Traffic and Revenue Analysis for I-205 Toll Project

		Enrollment*	Revenue*	Traffic*	
<b>&lt;200% FPL Options</b>					
1	100% discount	\$115	23.0%	-6.9%	+5.0%
2	50% discount	\$45	6.0%	-0.6%	+0.7%
3	Credit	\$45	6.0%	-1.0%	+0.7%
<b>200-400% FPL Options</b>					
9	Credit (small)	\$5	0.5%	0.0%	0.0%
10	Credit (larger)	\$20	0.5%	-0.1%	0.0%
11	25% discount	\$25	1.1%	-0.2%	+0.1%

# Further Investigation Needed for Additional Benefits up to 400%

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Verification  
process

Revenue  
impact

Congestion  
impact

Financing  
risk

Schedule  
impact

Operations  
cost

# Geographic Extent of the Program

Facility	Geographic extent
San Mateo 101 Express (San Francisco, CA)	San Mateo County residents
Elizabeth River Bridge Crossings (Hampton Roads, VA)	Hampton Roads region residents (recently expanded, previously limited to a few local cities)
I-10/I-110 Express Lanes (Los Angeles, CA)	Los Angeles County residents
Central 70 Express Lane (Denver, CO)	Globeville and Elyria-Swansea neighborhood residents

# Outreach and Analysis to Aid OTC Decision by December 2023

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- Complete preliminary traffic and revenue analysis
- Undertake analysis of implementation issues
- Continue our equity-focused engagement work
  - Toll advisory committees
  - Community Engagement Liaison Service-led discussion groups
  - Community-Based Organizations



# Input Requested from OTC

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1. Do you agree with the plan to commit to a benefit for <200% FPL by the end of the year?
2. Do you agree with the plan to determine options for 200-400% FPL by the end of the year to study in greater depth while deferring a decision to 2025?
3. What level of traffic and revenue impact is acceptable for the low income toll program?
4. What information will you need to make these decisions by the end of the year?