

FINAL BILL REPORT

SB 5765

C 377 L 23
Synopsis as Enacted

Brief Description: Addressing tolling authorization for the Interstate 5 bridge replacement project.

Sponsors: Senators Liias, King, Cleveland and Holy.

Senate Committee on Transportation
House Committee on Transportation

Background: Toll Authorization and Rate Setting. The Legislature is the only entity with the authority to authorize tolls on an eligible toll facility. An eligible toll facility is portions of the state highway system specifically identified by the Legislature, including transportation corridors, bridges, crossings, interchanges, on-ramps, off-ramps, approaches, bistate facilities, and interconnections between highways. The Legislature has authorized collection of tolls on the following facilities:

- the Tacoma Narrows Bridge;
- the SR 520 floating bridge;
- the SR 99 tunnel;
- the new sections of SR 167 and SR 509 that are part of the Puget Sound Gateway Project;
- the SR 167 high-occupancy toll lanes; and
- the Interstate 405 express toll lanes.

The Legislature has designated the Washington State Transportation Commission (Commission) as the state tolling authority with responsibility for setting toll rates, including variable pricing, and reviewing toll operations. Before each regular session of the Legislature, the Commission must report to the transportation committees of the Legislature on any increase or decrease in toll rates approved by the Commission.

Interstate 5 Bridge Replacement Project. The Interstate 5 (I-5) Bridge crosses the Columbia River and connects Vancouver, Washington and Portland, Oregon with two parallel bridge structures. One bridge structure carries traffic northbound to Vancouver, and the other

This analysis was prepared by non-partisan legislative staff for the use of legislative members in their deliberations. This analysis is not part of the legislation nor does it constitute a statement of legislative intent.

bridge structure carries traffic southbound to Portland. The northbound bridge was built in 1917, and the southbound bridge was built in 1958.

In 2012, the Legislature provided tolling authorization for replacement of the I-5 bridge crossing the Columbia river as part of the Columbia River Crossing Project. Although a bistate agreement regarding toll rate setting was entered into by the Commission and Oregon State Transportation Commission, the project was never fully funded and was suspended indefinitely in 2013.

In 2017, the Legislature established a joint Oregon-Washington legislative action committee (JLAC) regarding the construction of a new I-5 bridge. The committee is comprised of 16 members, eight from each state, tasked with, among other purposes:

- examining all potential mass transit options available for a new I-5 bridge project;
- utilizing design build procurement or better innovative project delivery methods and determines the least costly, most efficient project management and best practices tools; and
- considering the creation of a Columbia River bridge authority to review bridge needs and make recommendations to both states regarding financing, timing of improvements, and operations of the bridges.

In 2017, the Oregon State Legislature authorized the collection of tolls on the Oregon portion of I-5 and Interstate 205 as part of its toll program, the Regional Mobility Pricing Project. The Oregon State Legislature also authorized the Oregon State Transportation Commission to enter into agreements with the state of Washington, or its tollway operator, to establish, review, adjust, and collect tolls for the project.

Planning for the I-5 Bridge Replacement (IBR) Project was restarted in 2018, and the IBR Project was expanded in 2020. The IBR Project will reportedly replace the I-5 bridges, extend light rail to Vancouver, improve closely-spaced interchanges, and enhance the pedestrian and bicycle paths. The estimated project costs range from \$5 billion to \$7.5 billion.

In March 2022, the Secretary of the Washington State Department of Transportation (WSDOT) and Director of the Oregon State Department of Transportation (ODOT) signed a memorandum of understanding (MOU) regarding how tolls for the IBR Project could be designed, implemented, and administered. The MOU provides that ODOT should be the entity responsible for IBR Project toll operations. While acknowledging the respective state transportation commissions entering into a future bistate tolling agreement, the MOU also provides that future agreements between the states will address toll operations implementation and cost allocation processes and toll revenue uses and financial arrangements.

Summary: The IBR Project is defined as a bistate, multimodal corridor improvement program between the state route number 500 interchange in Vancouver, Washington and the

Victory Boulevard interchange in Portland, Oregon. The IBR Project is designated as an eligible toll facility, and tolls may be imposed on the IBR Project. Tolls may be charged for travel only on the existing and replacement I-5 Columbia River bridges. Tolls may not be charged for travel on any portion of Interstate 205 within Washington State.

The Commission as tolling authority may enter into a bistrate agreement with the Oregon State Transportation Commission regarding the mutual or joint setting, adjustment, and review of toll rates and exemptions. Toll rates established pursuant to the bistrate agreement may not:

- exceed the highest toll rate on any of the other tolled facilities in Washington, unless the Legislature provides direction otherwise in enacted legislation;
- pay for all of the operational and administrative costs of the Oregon State tolling system; or
- subsidize other Oregon State toll facilities.

The IBR Project Account is created in the state treasury and the types of revenue and moneys that must be deposited into the account are specified, including all net tolls and other revenues received from operation of the IBR Project as a toll facility. Toll revenue generated on the IBR Project must only be expended to construct, improve, preserve, maintain, manage, or operate the IBR Project. Expenditures of toll revenues are subject to appropriation and must only be made:

- to cover the operating costs of the eligible toll facility, including necessary maintenance, preservation, administration, and toll enforcement by public law enforcement within the boundaries of the facility;
- to meet obligations for the repayment of debt and interest on the eligible toll facility, and any other associated financing costs including, but not limited to, required reserves and insurance;
- to meet any other obligations to provide funding contributions for any projects or operations on the eligible toll facility;
- to provide for the operations of conveyances of people or goods; or
- for any other improvements to the eligible toll facility.

Tolls may not be collected on the IBR Project until certification of the Secretary of Transportation to the Governor that WSDOT has received satisfactory evidence that a sufficient federal funding plan is in place and that sufficient state and local funds are available to complete the IBR Project, and the bistrate agreement between the Commission and the Oregon Transportation Commission has taken effect.

Provisions addressing bistrate agreements related to the former Columbia River Crossing project are repealed.

Votes on Final Passage:

Senate	32	16	
House	57	40	(House amended)
Senate	31	18	(Senate concurred)

Effective: July 23, 2023

July 1, 2024 (Section 7)

Contingent (Sections 1-3, 5, 9-10)