

OREGON GLOBAL WARMING COMMISSION

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June 6, 2017

Senator Lee Beyer, Co-Chair
Representative Caddy McKeown, Co-Chair
Senator Brian Boquist, Co-Vicechair
Representative Cliff Bentz, Co-Vicechair
Members of the Joint Transportation Preservation and Modernization Committee

RE: HB 2017

I am pleased to submit the comments below in my capacity as Chair of the Oregon Global Warming Commission. Due to the lateness in the session that a draft measure has been available for comment, I will be unable to secure Commission approval for the observations below, so the comments should be taken as my own. They will, however, be consistent with the policy recommendations adopted by the Commission in its Biennial Reports to the Legislature, which should be considered incorporated by reference into this statement.

General

We reported earlier this year to the Legislature that Oregon's greenhouse gas (GHG) emissions, which have fallen since 1999, are now increasing again. This is almost entirely due to the transportation sector emissions increases in the last three years as shown in the state's GHG inventory.

Thus a transportation bill that failed to seriously address this sector's emissions would be a critical lost opportunity, and a challenge to any notion of Oregon as a climate leader among states.

We know how to bring transportation emissions under control. ODOT's State Transportation Strategy (STS__2013) identifies as key measures:

- Clean, carbon efficient vehicles
- Clean, carbon efficient fuels

- Fewer vehicle miles traveled
- More transit, bicycle and pedestrian system capacity and use
- More efficient urban design to leverage vehicle, fuel and transit gains

So how effectively does this draft move the climate agenda forward?

Transit Extension and Transit Vehicle Efficiency Conversion

ODOT's State Transportation Strategy (OSTI) identifies HB 2017 offers the largest climate gains in this area, a significant if still insufficient increase in transit capacity building for Oregon. An ongoing budget in excess of \$100mm annually from a dedicated funding source is a decided improvement over competing for lottery dollars and uncertain amounts in each biennium. Focusing on service extension to low-income areas is commendable on both equity and pragmatic grounds. Identifying transit fleet conversion to electricity or gas fueling is consistent with OGWC analysis provided to the Committee that finds both GHG emissions abatement, and transit agency finances and service extensions are best served by such conversion.

Although less regressive funding sources than the payroll tax were proposed to the Committee, we acknowledge the offsetting value of reliability and the emphasis on low-income service levels.

We encourage the Committee to ensure a final bill draft that:

- Requires transit agencies to further address the regressive payroll tax effects by offering low income discounts or other cost offsets, thus enabling greater transit use and less private vehicle use by low income households;
- Requires transit agencies serving populations of $\geq 200,000$ to set a schedule, not to exceed 15 years, for full fleet conversion to electric or gas powered vehicles.

Bicycle/Pedestrian Facilities and Support

HB 2017 includes funding for bike/ped facilities, and imposes a bike excise tax to contribute to this funding and, in the sponsors' view, to require all users to carry a fair share of the costs. With respect to bike/ped facilities, and to a similar requirement (registration fee) proposed for electric vehicles (EV's), these higher added costs on carbon-efficient modes of travel are counterproductive and reflect a misreading of relative costs imposed on the system.

We should be encouraging mode-shifting from internal-combustion powered vehicles to high-carbon-efficiency, low emissions vehicles, not discouraging such shifts. And state fees should reflect not just the costs of traffic lanes and bike paths but also of now-externalized pollution and GHG emissions costs. The Committee's approach does not reflect and fairly allocate the full range of costs imposed by different vehicles, and will have the effect of slowing, not accelerating, the shift to low-emissions vehicles. I encourage the Committee to reconsider these counter-productive signals.

Congestion Relief Capital Projects and Congestion Pricing

Highway congestion results in greater GHG emissions per mile traveled, as vehicles idle or inch forward in heavy traffic burning fuel and releasing emissions. Adding lane capacity is a dubious response, however. Committee Members understand by now, along with the rest of us, the concept of induced demand filling added highway capacity, often on the day the new facilities are opened for use. The Committee should examine carefully the cost-effectiveness of the proposed added capacity at the three major congestion relief targets in the Portland metropolitan area.

There is considerably more to be said for the measure's authorizing congestion pricing tools as a more tested, cost-effective and durable congestion relief strategy. I strongly endorse and applaud this step forward.

Electric Vehicles

ODOT's STS placed heavy reliance on fleet conversion from gasoline and diesel to electricity as a key GHG emissions reduction strategy. Conversely, this bill not only fails to include incentives to accelerate this transition, but (as noted above) imposes active disincentives to EV owners and discourages potential buyers. The bill would be much improved, and would make a more positive contribution to meeting Oregon's GHG reduction targets, if it incorporated the EV incentives found in HB 2704.

Planning and Accountability

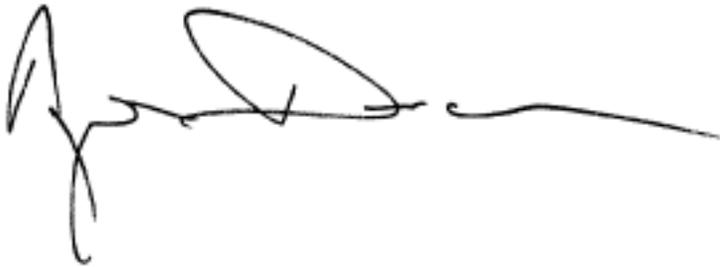
ODOT has tools available to it to anticipate the GHG consequences of transportation facilities planning, but does not make systematic use of these. In particular, in response to earlier legislative direction, ODOT developed the MOSAIC/Least Cost planning tool. MOSAIC enables both planners and citizens to describe different strategies for improving transportation within a corridor – as measured by throughput, safety, public health, congestion, emissions and other outcomes – in a transparent and weight-adjusted way. In particular, MOSAIC would allow planning for lowest emissions along with lowest dollar cost options in a process that would illuminate the tradeoffs inherent in any transportation investment decision.

Lamentably, the Department has made little use of either this tool or the GHG reduction strategies in the STS (as inputs to MOSAIC) since the development of both. We encourage the Committee to direct ODOT to make full use of these tools wherever in the planning process that use may be appropriate; and to direct the Oregon Transportation Commission to adopt incentives that encourage Area Planning Committees and Metropolitan Planning Organizations to make such use as well. Projects that have been evaluated in a MOSAIC analysis should qualify for extra credit in the awarding of STIP and other funding allocations.

In conclusion let me express my appreciation on behalf of the Commission for the time and effort expended by Committee Members and all the stakeholders who have contributed to bringing a transportation package this far along in the process. The Committee's further attention to the points I raise above would greatly improve the value added of this bill to our statewide efforts to rein in and reduce greenhouse gas emissions and to redress the effects of climate disruption on our state.

Thank you for your attention to these points as you complete your deliberations.

Sincerely,

A handwritten signature in black ink, appearing to read 'Angus Duncan', with a long horizontal flourish extending to the right.

Angus Duncan, Chair

Oregon Global Warming Commission