



Frequently Asked Questions: Project Funding

General Questions

How much will the project cost?

Estimated costs for the Salem River Crossing project range from \$330 to \$675 million, depending on which alternative is chosen. The lower cost alternatives include widening the existing bridges or constructing only a new bridge that connects to the existing street system. The higher cost alternatives include a new bridge that also has direct connections to Salem Parkway and Highway 22 and other local circulation changes. Actual costs will be better known in 2009 after the draft Environmental Impact Statement (EIS) is completed and a preferred alternative is chosen.

Will the state and federal government pay for this project?

No. The federal government will likely pay for only a portion of the project and the state government may not pay for any of it. A significant amount of local funds will be needed to make up the difference.

Why? Government funds for transportation projects today are very limited. Historically, these funds have come from the collection of gas taxes. However, the federal and state gas taxes have not been increased since 1993 while at the same time transportation needs and costs have gone up dramatically. As a result, most states and the federal government are struggling just to maintain existing roads and bridges. Paying for new facilities is an even greater challenge.

All major transportation projects in this country are facing similar funding challenges. In short, it is a new era in transportation funding. More information on this topic can be found in the [Funding Booklet](#).

What local funding sources are being considered?

Four ways to pay the local share of the project costs are being considered: local fuel taxes, vehicle registration taxes, property taxes, and tolls. Based on input from stakeholders and the project Oversight Team, these four options are the most acceptable sources from a larger list of funding options initially considered. For more information, see the [Funding Booklet](#).

Will the community have enough money to pay for other needs too?

The Salem River Crossing project is a large and expensive project. While the project will address key transportation needs in the Salem-Keizer area, there will be many competing demands for the same local funds – for transportation, schools, parks, etc. Part of the decision to move ahead with the project will be for local citizens and elected officials to agree that the project – and the cost that will be borne by local citizens and road users – is acceptable and worth the tradeoffs against other needs.

When will funding decisions be made? Who will make them?

Before the project can be constructed, a funding plan must be developed by the Project Team and approved by the Federal Highway Administration (FHWA). The funding plan will specify exactly how much the project will cost and where the money will come from. The funding plan will not be completed until after the draft EIS is published and a preferred alternative is selected.

Once the preferred alternative is selected, community leaders and local elected officials will likely speak with their constituents before determining which forms of local funding are most agreeable and effective for the costs that need to be paid.

Local elected officials and voters will decide what local funds are used for the project. Some local funding sources, such as property tax increases, require voter approval. Others, such as tolls, do not necessarily require voter approval but may be referred to voters through the initiative process. Without strong local support to share in the project costs, the project will be unlikely to go forward.

Tolling Questions

Tolling is only one of several alternative funding sources being considered for the Salem River Crossing project. No decisions have been made to use or not use tolling. However, many people have questions about tolling because it hasn't been used in Oregon for several years and because tolling has changed dramatically since the old days of manual toll collection booths.

Why are more and more highways and bridges being tolled?

Tolling is becoming increasingly used as a way to pay for new transportation projects and maintenance of existing facilities both in the U.S. and around the world. Without enough government funds for needed and wanted projects, tolling is one of a few ways to pay for expensive projects. Many people also like that costs for the road or bridge are then paid for by the people who use and benefit from it. Tolling is common in California, Florida, Texas, Illinois, Indiana, Virginia, and other states.

Are there toll roads or bridges in Oregon?

Currently the only toll bridges in Oregon are the Bridge of the Gods and the Hood River Bridge, both over the Columbia River. There are no toll roads in Oregon at this time. However, transportation officials are exploring using tolls to pay for many new facilities throughout Oregon. The most publicized is the I-5 Bridge between Oregon and Washington. The current study for that bridge assumes tolls will be used to either expand the existing bridges or build a new bridge. Between 1960 and 1966, a 20-cent toll was charged to pay for the current I-5 Bridge.

In Washington, tolls are being used to pay for the new Tacoma Narrows Bridge. The toll is less expensive for cars equipped with electronic transponders (see next question) than for cars that pay cash (large trucks pay even more). In addition to paying for road construction and maintenance, tolls are also used to manage congestion (see What is Congestion Pricing? below).

Won't toll booths just cause more congestion?

No. If tolls are used on this project, almost all tolls will be collected using electronic tolling. This means cars do not stop to pay the toll but are instead outfitted with an electronic device (transponder) that automatically collects the toll as the car passes through an electronic "gate" at full speed. The toll is then subtracted from the driver's account, similar to a credit or debit card. Almost all new toll roads now use this technology because of the great benefits it has to travel time. There are also ways to quickly collect tolls from cars that don't have electronic transponders.

You can watch an animation of electronic toll collection on the Tacoma Narrows Bridge in Washington State at the following web site: www.wsdot.wa.gov/goodtogo/easyuse.

Without toll booths, how are electronic tolls enforced?

When a new electronic tolling project is started, there is a lot of publicity to make sure everyone gets a transponder before the tolls are collected. When cars pass through the electronic toll "gate" without a transponder, an automated system photographs their license plate which allows a bill to be mailed to them so the toll can be collected. Because non-local drivers likely won't have a transponder, this system can be used to collect the toll from them. Fines can also be used this way for repeat offenders. Decisions such as how to capture non-local users and when to charge fines will not be made until after a preferred alternative is selected, assuming tolling is chosen as a way to pay for it.

Given the high costs of collecting tolls, are they really worth it?

Collecting tolls costs money, both to purchase and maintain the electronic equipment and for the many people who manage the system. While these costs can be significant (several million dollars per year or more), initial estimates show that enough revenue would be generated by tolls to pay for these costs and to pay off the project in about 30 years. For more information, see the [funding tool](#).

Why would both the existing bridges and the new bridge have to be tolled?

The purpose of this project is to reduce congestion across the river and on the connecting street system.

Tolling is being explored as a way to pay for the project but it does not work if only one bridge is tolled. If only the new bridge is tolled, many people would choose to use the existing (non-tolled) bridges instead of the new one. This would result in little improvement to congestion on the existing bridges. Since so many fewer people would use the new tolled bridge, not enough money would be generated to pay for it. If both bridges are tolled, traffic is balanced between the new and existing bridges and tolls are captured for a much larger number of trips across the river.

Would everyone pay the same toll?

Most drivers would pay the same toll. However, with electronic tolling, it is possible to adjust tolls depending on who is driving. For example, it is possible for people with low incomes to pay less. Deciding how to make the tolls equitable and fair is something that will be considered in great detail if tolling is selected for the project.

Can tolls be used to pay for other local needs too?

Typically, tolls can be used only for construction and on-going maintenance of the facility on which they are collected. Tolls are not typically used for the public transit system or for civic improvements. With legislative changes, however, some exceptions may be possible and these can be explored later in the process.

What is congestion pricing?

Congestion pricing is a way to use tolls to manage congestion, in addition to generating revenue. The term means that tolls would be adjusted based on the amount of traffic on the road. Drivers pay more to drive during the most congested parts of the day. The most advanced systems adjust the price automatically as traffic conditions change throughout the day, keeping traffic moving more smoothly. While congestion pricing increases costs for drivers in the peak travel hours, it can dramatically reduce congestion by spreading traffic into the less congested times of day. The SR 167 High Occupancy Toll (HOT) lane between Renton and Auburn Washington uses congestion pricing. There is a video explaining how it works at www.wsdot.wa.gov/goodtogo/easyuse.aspx