

4.4.2 Steps to Securing Anticipated Funding Commitments

Several of the discretionary funding sources discussed in Section 4.3 are not yet committed for the IBR Program and require a series of next steps to secure. This section outlines the steps for securing funding from federal discretionary grant programs. Some of the anticipated or prospective funding sources also require considering financing mechanisms described in Section 4.3.3, which may add to the next steps in solidifying funding commitments. Required tolling approvals to secure the commitment of toll funding have been obtained in both states, the processes of which are outlined below.

Federal Grant Applications

The IBR Program has applied for, or plans to apply for, several federal discretionary grants:

- **USDOT Mega Program:** The IBR Program submitted a grant application in August 2023.
- **FHWA BIP:** A NOFO is anticipated in September 2023.
- **FTA CIG Program:** The IBR Program submitted materials to enter the Project Development phase of the New Starts process in summer 2023.

Successfully securing the maximum federal grant funding possible requires a sound, feasible financial plan demonstrating that both states have taken the necessary actions to fully commit all other funding sources, including state and toll funding. Funding awards from these federal discretionary grant programs will be highly competitive, and award decisions will hinge on the strength of the financial plan submitted in the application process, among other selection criteria.

To the extent possible, state funding should recognize the multimodal components of the IBR Program and allow flexibility in using the funds for both highway and transit components. As funding sources, and aging of both states funding contributions, are determined, the non-federal matching requirements of the three major federal grant programs for which the IBR Program plans to be applying in 2023 should be considered.

Federal Financing Mechanisms

As the IBR Program financial plan continues to develop, additional consideration of federal financing in the form of TIFIA or GANs will be included based on the direction of the two states and their financial advisors.

Toll-Related Approvals

On a federal level, Title 23 of the U.S. Code, Section 129 authorizes the tolling of the I-5 Columbia River bridges based upon their reconstruction. Meanwhile, Oregon and Washington have different policies and procedures for establishing highway tolls.

As part of establishing the Oregon Toll Program, the Oregon Legislature has already put in place the authorization to toll and bond against toll revenues. The OTC, composed of individuals appointed by the governor, can approve tollways and the rate setting on these facilities within the state. The Toll Program Fund was established by the Oregon Legislature via House Bill 3055²⁰ to segregate toll revenues within the Oregon State Highway Fund and allow them to be separated into individual tollway accounts or pooled across the system of Oregon Toll Program tollways to meet financial obligations, including debt service. While tolling for the IBR Program is already authorized in Oregon, agreements between the states will be required to detail how toll revenue will be shared and to document other toll-related operational expectations and procedures. Additional legislation may be needed to enable aspects of these agreements, such as toll bond authorization.

²⁰ Oregon State Legislature HB 3055, Section 136, September 2021.

