Enrolled

House Bill 2278

Ordered printed by the Speaker pursuant to House Rule 12.00A (5). Presession filed (at the request of Governor Theodore R. Kulongoski for Department of Transportation)

CHAPTER ....

AN ACT

Relating to financing for transportation projects; creating new provisions; amending ORS 367.084; and declaring an emergency.

Be It Enacted by the People of the State of Oregon:

SECTION 1. (1) Pursuant to ORS 286.560 to 286.580, for the biennium beginning July 1, 2007, the State Treasurer may issue lottery bonds to finance grants and loans for transportation projects as provided in ORS 367.080 to 367.086.

(2) The use of lottery bond proceeds pursuant to this section is authorized based on the following findings:

(a) There is an urgent need to improve and expand publicly owned and privately owned transportation infrastructure to support economic development in this state.

(b) A safe, efficient and reliable transportation network supports the long-term economic development and livability of this state. A multimodal network of air, rail, public transit, highway and marine transportation moves people and goods efficiently.

(c) Local governments and private sector businesses often lack capital and the technical capacity to undertake multimodal transportation projects.

(d) Public financial assistance can stimulate industrial growth and commercial enterprise and promote employment opportunities in this state.

(e) Public investment in transportation infrastructure will create jobs and further economic development in this state.

(3) The aggregate principal amount of lottery bonds issued pursuant to this section may not exceed the sum of $100 million plus an additional amount established by the State Treasurer to pay bond-related costs. The State Treasurer may issue lottery bonds pursuant to this section only at the request of the Director of Transportation.

(4) The net proceeds of the lottery bonds issued pursuant to this section shall be deposited in the Multimodal Transportation Fund established by ORS 367.080.

SECTION 2. (1) To the extent that proposed transportation projects meet the qualifications established by the Oregon Transportation Commission by rule, the commission shall allocate at least 10 percent of the net proceeds of the lottery bonds authorized by section 1 of this 2007 Act to each region described in this section. For purposes of this section, the regions are as follows:

(a) Region one consists of Clackamas, Columbia, Hood River, Multnomah and Washington Counties.

(b) Region two consists of Benton, Clatsop, Lane, Lincoln, Linn, Marion, Polk, Tillamook and Yamhill Counties.

(c) Region three consists of Coos, Curry, Douglas, Jackson and Josephine Counties.

(d) Region four consists of Crook, Deschutes, Gilliam, Jefferson, Klamath, Lake, Sherman, Wasco and Wheeler Counties.

(e) Region five consists of Baker, Grant, Harney, Malheur, Morrow, Umatilla, Union and Wallowa Counties.

(2) In addition to any other fees or payments required for grants or loans from the Multimodal Transportation Fund, between July 1, 2007, and July 1, 2013, each recipient of moneys from the fund shall pay two percent of the recipient's total project costs to the Department of Transportation. The department shall use the funds received under this subsection to conduct a statewide multimodal study of the transportation system. The study shall include an assessment of the infrastructure, capacity demand and constraints, development of criteria for strategic investments and return on investment and identification of potential funding sources and strategies. The department may not use the funds received under this subsection for any components of the study if the department has other available and eligible funds.

SECTION 3. ORS 367.084 is amended to read:

367.084. (1) The Oregon Transportation Commission shall select transportation projects to be funded with moneys in the Multimodal Transportation Fund established by ORS 367.080.

(2)(a) Prior to selecting aeronautic and airport transportation projects, the commission shall solicit recommendations from the State Aviation Board.

(b) Prior to selecting freight transportation projects, the commission shall solicit recommendations from the Freight Advisory Committee.

(c) Prior to selecting public transit and rail projects, the commission shall solicit recommendations from its public transit and rail advisory committees.

(d) Prior to selecting marine projects, the commission shall solicit recommendations from the Economic and Community Development Department.

(3) In selecting transportation projects the commission shall consider:

(a) Whether a proposed transportation project reduces transportation costs for Oregon businesses or improves access to jobs and sources of labor;

[(b) Whether a proposed transportation project benefits or connects two or more modes of transportation;]

(b) Whether a proposed transportation project results in an economic benefit to this state;

(c) Whether a proposed transportation project is a critical link [in a statewide or regional] connecting elements of Oregon's transportation system that will measurably improve utilization and efficiency of the system;

(d) How much of the cost of a proposed transportation project can be borne by the applicant for the grant or loan from any source other than the Multimodal Transportation Fund; and

[(e) Whether a proposed transportation project creates construction and permanent jobs in this state; and]

[(f)] (e) Whether a proposed transportation project is ready for construction.

SECTION 4. This 2007 Act being necessary for the immediate preservation of the public peace, health and safety, an emergency is declared to exist, and this 2007 Act takes effect July 1, 2007.

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Passed by House June 13, 2007

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Chief Clerk of House

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Speaker of House

Passed by Senate June 19, 2007

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President of Senate

Received by Governor:

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Approved:

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Governor

Filed in Office of Secretary of State:

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Secretary of State