

SB 59 -1 STAFF MEASURE SUMMARY

Joint Committee On Transportation

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Sub-Referral To: Joint Committee On Ways and Means

Meeting Dates: 5/20

WHAT THE MEASURE DOES:

Authorizes the State Treasurer to issue lottery bonds for Connect Oregon Fund. Declares an emergency, takes effect upon passage.

ISSUES DISCUSSED:

EFFECT OF AMENDMENT:

-1 Allocates \$50 million in lottery bond proceeds to the Connect Oregon Fund.

BACKGROUND:

The Oregon Lottery has contributed over \$11 billion to state funding since 1985 and is the second largest funding source in Oregon. In 2018, lottery fund allocation was 53 percent education, 25.5 percent economic development, 7.5 percent state parks, 7.5 percent watershed and habitat restoration, 1 percent problem gambling treatment, 1.5 percent veteran services, and 4 percent outdoor school. Connect Oregon was created in 2005 and is funded by tax-exempt lottery-backed bonds authorized. The program provides grant funding for air, rail, marine, and bicycle and pedestrian projects. Project examples include Tillamook transit and visitors center, Columbia River rail corridor improvement, and Grant County airport terminal building. House Bill 2017 (2017) designated four programs to be funded through Connect Oregon and provided \$30 million in lottery bond proceeds, as well as additional funding from the vehicle dealer privilege tax and bicycle excise tax. Connect Oregon did not have a competitive grant process during the 2017-2019 biennium due to required funding allocations for the four programs outlined in House Bill 2017.

Senate Bill 59 issues lottery bonds to the Connect Oregon Fund.