SB 16 -1 STAFF MEASURE SUMMARY

Joint Committee On Transportation

Prepared By: Patrick Brennan, LPRO Analyst **Meeting Dates:** 2/28, 4/6

WHAT THE MEASURE DOES:

Directs the Department of Transportation to study options to provide funding support for transportation by rail and to submit findings to the Legislative Assembly's interim transportation committees by September 15, 2024. Sunsets January 2 2025.

ISSUES DISCUSSED:

- Potential impact of federal infrastructure funding
- Need for local matching moneys for federal grants
- Fund currently has zero balance

EFFECT OF AMENDMENT:

-1 Replaces original measure. Expands authorized use of the State Rail Rehabilitation Fund to include funding of rail projects, including capacity improvements, capital investments to improve safety, and capital improvements to reduce greenhouse gases; and providing state matching funds to leverage federal discretionary grant funding for rail projects. Modifies methodology for prioritizing use of the Fund. Authorizes use of Fund moneys to pay for Department's administrative costs associated with the Fund. Requires biennial report to Joint Committee on Transportation regarding expenditures from Fund. Becomes operative January 1, 2024; declares emergency, effective on passage.

FIS: Fiscal statement issued on measure w/the -1 amendment RIS: Minimal revenue impact on measure w/the -1 amendment

BACKGROUND:

In 1985, the Legislative Assembly authorized the State Rail Rehabilitation Fund to pay for acquisition, rehabilitation, and improvements of rail properties. While the Legislative Assembly has not appropriated funding for the program, the Oregon Department of Transportation has occasionally allocated railroad right of way lease funds to support the program.