

## HB 2101 -4 STAFF MEASURE SUMMARY

### Joint Committee On Transportation

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**Prepared By:** Patrick Brennan, LPRO Analyst

**Sub-Referral To:** Joint Committee On Ways and Means

**Meeting Dates:** 1/31, 5/9, 5/11

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#### WHAT THE MEASURE DOES:

Directs the Department of Transportation to establish a local transportation program to provide state funding in exchange for federal surface transportation funding available to cities and counties.

**NOTE: Measure has subsequent referral to the Committee on Ways and Means**

#### ISSUES DISCUSSED:

- Uses of moneys through the existing fund exchange
- Reliance of local governments on transportation funding
- Public understanding of sources of transportation funding
- Codifying existing practice
- Increasing cost of road maintenance

#### EFFECT OF AMENDMENT:

-4 Replaces original measure. Directs Department of Transportation, each year, to determine amount of funding necessary to fund transportation projects specified by law by the Legislative Assembly, matching moneys needed to spend federal funds, highway maintenance, programs more efficient to operate using state moneys, and other purposes for which federal funds cannot be used. Specifies that, from state moneys remaining after setting aside the above, the Department shall allocate \$35 million per year; replace any state funds made available to local governments from that amount with federal surface transportation funds on a dollar for dollar basis; and allocate moneys to counties, certain cities with population of at least 5,000, metropolitan planning organizations with population less than 200,000, the League of Oregon Cities, or Association of Oregon Counties. Specifies allocation process if amount allocated is less than \$35 million. Adds emergency clause.

**FIS: Indeterminate fiscal impact statement issued on measure w/the -4 amendment**

**RIS: Indeterminate revenue impact statement issued on measure w/the -4 amendment**

#### BACKGROUND:

The Oregon Department of Transportation operates a fund exchange program by which local governments that receive federal funding can exchange that funding for a similar amount of state funding but without the constraint of federal requirements of the federal Surface Transportation Block Grant (STBG) program. Qualified local agencies can exchange federal moneys for state funds at a return of 94 cents of state moneys for every dollar of federal moneys. State moneys thus exchanged are still subject to use limitations under Article IX, section 3a of the Oregon Constitution.