

SB 16 A STAFF MEASURE SUMMARY**Carrier:** Rep. Nathanson**Joint Committee On Transportation****Action Date:** 04/06/23**Action:** Do Pass the A-Eng bill.**House Vote****Yeas:** 6 - Boshart Davis, Evans, Helfrich, McLain, Nathanson, Pham K**Exc:** 1 - Mannix**Senate Vote****Yeas:** 6 - Boquist, Findley, Frederick, Frederick, President Wagner, Woods**Exc:** 1 - Gorsek**Fiscal:** Fiscal impact issued**Revenue:** Has minimal revenue impact**Prepared By:** Patrick Brennan, LPRO Analyst**Meeting Dates:** 2/28, 4/6**WHAT THE MEASURE DOES:**

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 of Transportation 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.

ISSUES DISCUSSED:

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

EFFECT OF AMENDMENT:

No 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. Moneys from the Fund can currently be used for acquisition of railroad lines, rehabilitation or improvement of rail properties, planning for rail activities, or any other method of reducing costs of lost rail service.

Senate Bill 16 A expands the list of authorized uses of the State Rail Rehabilitation Fund to specify rail capacity improvements, such as new or lengthened sidings, or industrial spur construction or rehabilitation; capital safety improvements; investments to reduce greenhouse gas emissions; and providing state matching funds to leverage federal discretionary grant funding for rail projects. The measure also directs the Oregon Department of Transportation to develop a methodology for prioritizing funding that takes into account an applicant's ability to leverage federal discretionary funding, and that ensures that selected projects are consistent with the goals of the Oregon State Rail Plan.