

SB 714 STAFF MEASURE SUMMARY

Senate Committee On Natural Resources and Wildfire

Prepared By: Alexa Piscanio, LPRO Analyst

Sub-Referral To: Joint Committee On Ways and Means

Meeting Dates: 3/20

WHAT THE MEASURE DOES:

The measure authorizes the State Treasurer to issue bonds in an amount that produces not more than \$20 million for the 2025–2027 biennium and not more than \$25 million for the 2027–2029 biennium to provide funds to the Columbia Corridor Flood Safety Fund to support grants to cover project expenses.

Fiscal impact: May have fiscal impact, but no statement yet issued.

Revenue impact: May have revenue impact, but no statement yet issued.

Detailed Summary:

The measure authorizes the State Treasurer, at the request of the Oregon Business Development Department (OBDD), to issue lottery bonds to fund the Columbia Corridor Flood Safety Project. It authorizes the issuance of bonds in an amount that produces not more than \$20 million for the 2025–2027 biennium and not more than \$25 million for the 2027–2029 biennium. The funds are transferred to the Columbia Corridor Flood Safety Fund, enabling the Oregon Business Development Department to provide grants to the urban flood safety and water quality district to cover project expenses. The measure makes legislative findings related to completing the Columbia Corridor Flood Safety Project.

Defines “Columbia Corridor Flood Safety Project”

Defines “Columbia corridor flood safety project” as a project to upgrade aging flood safety infrastructure along the Columbia Slough and lower Columbia River in Multnomah County, including, but not limited to, upgrading levees, improving flood walls, pumps, pump stations, pipes, drains and conveyance, and floodplain restoration and resilience.

Establishment of the Columbia Corridor Flood Safety Fund

Establishes the Columbia Corridor Flood Safety Fund with its funds continuously appropriated to OBDD for grants to the urban flood safety and water quality district for the Columbia Corridor Flood Safety Project to pay for project costs, nonfederal or nonprivate cost share of expenses of the project, and bond-related costs.

Columbia Corridor Flood Safety Project Grant Program

Directs the OBDD to create a grant program to provide funding to the urban flood safety and water quality district for expenses related to the Columbia Corridor Flood Safety Project. Requires OBDD to establish a process for the district to propose incremental stages of the project, with OBDD having the authority to approve or reject each proposal. Requires proposals to include a detailed budget for the specific project stage, and OBDD cannot approve any proposal that exceeds the available lottery bond funds.

Requires that before grant funds are distributed, the district must provide an updated budget with forecasted expenditures for the relevant project stage and certify to the OBDD Director that all necessary local, state, and federal approvals and permits will be obtained. Requires that once a grant agreement is executed, OBDD will request the State Treasurer to issue bond proceeds and disburse the grant funds to the district.

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Requires that if the project isn't substantially completed by July 1, 2037, the district must return the grant funds and reimburse the state, unless delays are caused by an act of God or the state's failure to distribute funds. States that this requirement does not apply if the district failed to take necessary action to trigger the incremental distribution of bond proceeds or failed to meet permitting standards required to complete the project stage. Finds that the State of Oregon and its agencies are not liable to any lenders, vendors, or contractors the district engages with at any stage of the project. Finds that the district agrees to indemnify the state to the fullest extent permitted by law for any related liability.

ISSUES DISCUSSED:

EFFECT OF AMENDMENT:

No amendment.

BACKGROUND:

Senate Bill 431 (2019) established the Urban Flood and Water Quality District to build, operate, and maintain flood management infrastructure, respond to flood emergencies, and enhance water quality, habitat, and landscape resilience within the managed floodplain. The district's boundary aligns with Multnomah County within the Urban Growth Boundary as defined by Metro. In 2024, the district began managing the flood safety system along the Columbia River. In 2024, Multnomah County voters approved Ballot Measure 26-243, authorizing the district to issue \$150 million in general obligation bonds to support management of the Columbia River Flood corridor.