

HB 2574 -1 STAFF MEASURE SUMMARY

Joint Committee On Transportation

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Meeting Dates: 4/1, 4/21

WHAT THE MEASURE DOES:

House Bill 2574 specifies that the Willamette Falls Locks Authority shall conduct all procurements according to the provisions of specified sections of ORS 279A and 279C, by a single public contract of maximum value \$500,000. Declares the Authority exempt from the requirement to retain a public accounting for any one year in which the Authority meets the conditions for the exemption applicable to municipal corporations. Prohibits independent contractors for the Authority from serving as members of the Authority. Permits authority members to elect other officers, in addition to chairperson and vice-chairperson. Authorizes State Treasurer to issue lottery bonds sufficient to produce \$11.431 million in net proceeds to be transferred to the Department of Administrative Services for deposit in the ODAS Economic Development Distribution Fund for distribution to the Authority for restoration of the navigation canal and locks. The measure takes effect on the 91st day following adjournment sine die.

ISSUES DISCUSSED:

- History of the Willamette Falls Locks
- Need to ensure long-term access
- Potential transportation, freight, and tourism uses of locks
- Past ownership of locks
- Potential sources of long-term funding
- Benefits for river navigation

EFFECT OF AMENDMENT:

-1 The amendment reduces the minimum value of procurements where a single contract can be utilized.

FISCAL: "Fiscal lite" issued on measure w/the -1 amendment

REVENUE: "Revenue lite" issued on measure w/the -1 amendment

BACKGROUND:

The Willamette Falls Canal was constructed in the 1870s to allow river traffic to navigate around the 40-foot horseshoe shaped basalt ridge between Oregon City and West Linn on the Willamette River. In 1915, the U.S. Army Corps of Engineers purchased the locks, which were later placed on the National Register of Historic Places in 1974. The locks were deemed non-operational in December 2011. Senate Bill 131 (2015) established the Task Force on the Willamette Falls Navigation Channel and Locks to gather information related to the locks, including their current and potential future value. Subsequent legislation created the Willamette Falls Locks Commission (Senate Bill 256, 2017) and Willamette Falls Locks Authority as a public corporation (House Bill 2564, 2021).

A public corporation is an entity created by the state to carry out a public mission and provide public services. They are usually granted increased operating flexibility compared to a government entity, while retaining the principles of public accountability. Each is led by a board of directors appointed by the governor and confirmed by the Senate and typically is designated authority by the creating legislation to set public policy and manage operations.