

HB 3654 -2 STAFF MEASURE SUMMARY

Senate Committee On Rules

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Meeting Dates: 6/4

WHAT THE MEASURE DOES:

The measure sets maximum matching fund requirements for capital construction and municipal infrastructure grants made by the State of Oregon, to incorporated cities with a population not greater than 20,000 people.

Detailed Summary

- Limits matching fund requirements for incorporated cities
 - For a population of 5,000 or fewer people: up to three percent of a grant award of \$100,000 or less, and five percent of a grant award greater than \$100,000
 - For a population between 5,000 and 7,500 people: seven percent of a grant award
 - For a population between 7,500 and 10,000 people: nine percent of a grant award
 - For a population between 10,000 and 20,000 people: 12 percent of a grant award
- Allows incorporated cities with a population of fewer than 20,000 people to use capital construction and municipal infrastructure grant moneys for all phases of funded project, including engineering, planning and support
- Takes effect on the 91st day following adjournment sine die

Fiscal impact: Minimal impact

Revenue impact: No impact

ISSUES DISCUSSED:

EFFECT OF AMENDMENT:

-2 The amendment replaces the measure. It sets maximum matching fund requirements for infrastructure grants made by the State of Oregon, to incorporated cities with a population not greater than 20,000 people, and allows the grant moneys to be used for all phases of the funded project. It takes effect on the 91st day following adjournment sine die.

Detailed Summary

- Includes projects funded through, or by grants from:
 - the Oregon Transportation Commission for safety improvement projects near schools
 - the Department of Transportation from the Connect Oregon Fund, and the Multimodal Active Transportation Fund, for certain transportation projects
 - the Oregon Infrastructure Finance Authority for levee projects
 - the Parks and Natural Resource Fund
 - the Water Resource Department for planning studies performed to evaluate the feasibility of developing a water conservation, reuse, or storage project
- Limits matching fund requirements for incorporated cities
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support.

BACKGROUND:

Matching fund requirements for state grants vary depending on the program. The options are a minimum cash match, a one-to-one match, and in-kind contributions. An example of a limit on matching funds related to population size limit is the federally funded Certified Local Government Grant, offered by the Oregon Parks and Recreation Department to support the preservation of historic properties and archaeological sites. A one-to-one matching fund requirement is required for cities with a population of 5,000 or more, but no specific matching amount is required for cities with a population of 4,999 or under.