

A-Engrossed
House Bill 3024

Ordered by the House May 17
Including House Amendments dated May 17

Sponsored by Representative G SMITH

SUMMARY

The following summary is not prepared by the sponsors of the measure and is not a part of the body thereof subject to consideration by the Legislative Assembly. It is an editor's brief statement of the essential features of the measure.

[Authorizes issuance of lottery bonds for transportation projects other than transit projects. Specifies uses of moneys.]

[Sunsets January 2, 2008.]

[Declares emergency, effective July 1, 2005.]

Provides that moneys available for use to establish highway modernization program may also be used to operate program. Repeals sunset on provisions relating to use of federal moneys for highway modernization program.

A BILL FOR AN ACT

1
2 Relating to financing for transportation projects; amending ORS 366.507; and repealing section 3,
3 chapter 766, Oregon Laws 2001.

4 **Be It Enacted by the People of the State of Oregon:**

5 **SECTION 1.** ORS 366.507, as amended by section 2, chapter 766, Oregon Laws 2001, and section
6 15, chapter 618, Oregon Laws 2003, is amended to read:

7 366.507. The Department of Transportation shall use an amount equal to the **amount of** moneys
8 in the State Highway Fund that *[become]* **becomes** available for its use from the increase in tax
9 rates created by the amendments to ORS 319.020, 319.530, 825.476 and 825.480 by sections 1, 2 and
10 10 to 15, chapter 209, Oregon Laws 1985, and an amount equal to one-third of the **amount of** moneys
11 in the State Highway Fund that *[become]* **becomes** available for its use from any increase in tax
12 rates created by the amendments to ORS 319.020, 319.530, 825.476 and 825.480 by sections 5, 6 and
13 8 to 15, chapter 899, Oregon Laws 1987, and from any increase in tax rates that results from the
14 provisions of sections 16 and 17, chapter 899, Oregon Laws 1987, *[exclusively]* to establish **and op-**
15 **erate** a state modernization program for highways. The program established under this section and
16 the use of moneys in the program are subject to the following:

17 (1) The moneys may be used by the department to retire bonds that the department issues for
18 the modernization program under bonding authority of the department.

19 (2) The intent of the modernization program is to increase highway safety, to accelerate im-
20 provements from the backlog of needs on the state highways and to fund modernization of highways
21 and local roads to support economic development in Oregon. Projects both on and off the state
22 highway system are eligible.

23 (3) Projects to be implemented by the modernization program shall be selected by the Oregon
24 Transportation Commission. The criteria for selection of projects will be established after public
25 hearings that allow citizens an opportunity to review the criteria. The commission may use up to

NOTE: Matter in **boldfaced** type in an amended section is new; matter *[italic and bracketed]* is existing law to be omitted.
New sections are in **boldfaced** type.

1 one-half of moneys available under this section for modernization projects selected by the commis-
2 sion from a list of projects of statewide significance.

3 (4) In developing criteria for selection of projects, the commission shall consider the following:

4 (a) Projects must be of significance to the state highway system.

5 (b) Except for projects that are of statewide significance, projects must be equitably distributed
6 throughout Oregon.

7 (c) Projects may be on county or city arterial roads connecting to or supporting a state highway.

8 (d) Priority may be given to projects that make a meaningful contribution to increased highway
9 safety.

10 (e) Priority may also be given to projects that encourage economic development where:

11 (A) There is commitment by private industry to construct a facility.

12 (B) There is support from other state agencies.

13 (f) Priority may be given where there is local government or private sector financial partic-
14 ipation, or both, in the improvement in addition to improvements adjacent to the project.

15 (g) Priority may be given where there is strong local support.

16 **(5) Except as otherwise provided in this subsection, federal moneys or moneys from the**
17 **State Highway Fund other than those described in this section may be used for the mod-**
18 **ernization program as long as the total amount used is equal to the amount described in this**
19 **section. Federal moneys that are appropriated by Congress for specific projects and federal**
20 **moneys that are allocated by the United States Department of Transportation for specific**
21 **projects may not be used for the modernization program under this section.**

22 **SECTION 2. Section 3, chapter 766, Oregon Laws 2001, is repealed.**

23
