

# Senate Bill 71

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## 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 **as introduced**.

Authorizes issuance of lottery bonds for transportation projects. Specifies uses of moneys.  
Sunsets January 2, 2008.  
Declares emergency, effective July 1, 2005.

## A BILL FOR AN ACT

1  
2 Relating to financing for transportation projects; appropriating money; and declaring an emergency.

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

4 **SECTION 1. (1) As used in sections 1 to 6 of this 2005 Act, "transportation project" has**  
5 **the meaning given that term in ORS 367.010.**

6 **(2) The Lottery Transportation Infrastructure Account is established within the Oregon**  
7 **Transportation Infrastructure Fund. Earnings on moneys in the account shall be deposited**  
8 **into the account. Moneys in the account are continuously appropriated to the Department**  
9 **of Transportation.**

10 **(3) Notwithstanding ORS 367.015 (4), the department shall use moneys in the Lottery**  
11 **Transportation Infrastructure Account to provide grants for transportation projects as pro-**  
12 **vided in sections 1 to 6 of this 2005 Act.**

13 **SECTION 2. (1) Pursuant to ORS 286.560 to 286.580, for the biennium beginning July 1,**  
14 **2005, the State Treasurer may issue lottery bonds to finance grants and loans for transpor-**  
15 **tation projects selected under section 3 of this 2005 Act.**

16 **(2) The use of lottery bond proceeds is authorized based on the following findings:**

17 **(a) There is an urgent need to improve and expand publicly owned and privately owned**  
18 **transportation infrastructure to support economic development in this state.**

19 **(b) A safe, efficient and reliable transportation network supports the long-term economic**  
20 **development and livability of this state. A multimodal network of public transit and air, rail,**  
21 **highway and water transportation moves people and goods efficiently.**

22 **(c) Local governments and private sector businesses often lack financing and technical**  
23 **capacity to undertake multimodal transportation projects.**

24 **(d) Public financial assistance can stimulate industrial growth and commercial enterprise**  
25 **and can promote employment opportunities in this state.**

26 **(e) Public investment in transportation infrastructure will create jobs and further eco-**  
27 **nomical development in this state.**

28 **(3) The aggregate principal amount of lottery bonds issued pursuant to this section may**  
29 **not exceed the sum of \$\_\_\_\_\_, plus an additional amount established by the State Treas-**  
30 **urer to pay bond-related costs. Lottery bonds issued pursuant to this section may be issued**

**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 only at the request of the Director of Transportation.

2 (4) The net proceeds of the lottery bonds issued pursuant to this section shall be depos-  
 3 ited in the Lottery Transportation Infrastructure Account established under section 1 of this  
 4 2005 Act.

5 **SECTION 3.** (1) The Oregon Transportation Commission shall select transportation  
 6 projects to be funded with moneys in the Lottery Transportation Infrastructure Account  
 7 established under section 1 of this 2005 Act. In selecting transportation projects, the com-  
 8 mission shall give priority to:

9 (a) Transportation projects that facilitate the transfer of people or freight between or  
 10 among public transit, highway, air, rail and water modes of transportation; and

11 (b) Transportation projects that improve mobility or travel conditions on two or more  
 12 modes of transportation simultaneously.

13 (2) The commission may not:

14 (a) Use more than 25 percent of the total amount of moneys available to the commission  
 15 under section 2 of this 2005 Act for any one transportation project selected under this sec-  
 16 tion;

17 (b) Provide funding from the Lottery Transportation Infrastructure Account established  
 18 under section 1 of this 2005 Act for more than 80 percent of the total cost of a transportation  
 19 project, as estimated at the time of selection of the project for funding; or

20 (c) Provide funding under this section for any transportation project that is eligible for  
 21 funding with revenues described in section 3a, Article IX of the Oregon Constitution.

22 (3) The commission shall allocate at least 10 percent of the moneys in the Lottery  
 23 Transportation Infrastructure Account established under section 1 of this 2005 Act to each  
 24 of the following kinds of transportation projects:

25 (a) Aeronautic and airport projects.

26 (b) Marine and port projects.

27 (c) Rail projects.

28 (d) Public transit projects.

29 (4) Within the limits of subsection (2) of this section, once a transportation project has  
 30 been selected by the commission, moneys from the Lottery Transportation Infrastructure  
 31 Account established under section 1 of this 2005 Act may be used to pay preliminary costs,  
 32 including but not limited to surveys, plans and studies to determine the feasibility of the  
 33 project, as well as costs of the project, including but not limited to project management costs  
 34 and construction costs.

35 (5) The commission may not provide funding for a transportation project under this  
 36 section unless the project has been reviewed by an entity described in section 4 of this 2005  
 37 Act. However:

38 (a) The commission is not required to follow the priorities established by an entity de-  
 39 scribed in section 4 of this 2005 Act;

40 (b) The commission may consider a transportation project that was rejected by an entity  
 41 described in section 4 of this 2005 Act; and

42 (c) The commission may request that the appropriate entity described in section 4 of this  
 43 2005 Act review a proposed transportation project.

44 **SECTION 4.** (1) The Oregon Transportation Commission shall accept recommendations  
 45 regarding funding of transportation projects from the Lottery Transportation Infrastructure

1 Account established under section 1 of this 2005 Act as follows:

2 (a) From the State Aviation Board for aeronautic and airport transportation projects;

3 (b) From the Oregon Economic and Community Development Commission for marine and  
4 port transportation projects; and

5 (c) From advisory committees established by the Department of Transportation for rail  
6 and public transit transportation projects.

7 (2) The Oregon Transportation Commission shall establish an advisory committee on rail  
8 projects and an advisory committee on public transit projects. The committees established  
9 under this subsection may make recommendations to the commission as provided in this  
10 section.

11 (3) In developing recommendations under this section, an entity shall consider the fol-  
12 lowing:

13 (a) Whether a proposed transportation project results in an economic benefit to this  
14 state;

15 (b) Whether a proposed transportation project requires an ongoing commitment of re-  
16 sources from this state;

17 (c) How much of the projected cost of a proposed transportation project can be borne by  
18 the applicants and sponsors of the proposed project; and

19 (d) If the applicants and sponsors are not able to provide more than 20 percent of the  
20 cost of a proposed transportation project, whether that inability is due to economic distress  
21 in the area that would be helped by the proposed transportation project.

22 (4) Any person or public body may propose a transportation project for review by an en-  
23 tity described in this section.

24 **SECTION 5.** At least 20 percent of the cost of a transportation project selected by the  
25 Oregon Transportation Commission under section 3 of this 2005 Act must come from a  
26 source other than the Lottery Transportation Infrastructure Account established under  
27 section 1 of this 2005 Act. The amount that does not come from the Lottery Transportation  
28 Infrastructure Account established under section 1 of this 2005 Act may come from any  
29 private or public source and may be in the form of cash or in-kind contributions.

30 **SECTION 6.** (1) The Oregon Transportation Commission shall transfer moneys for aer-  
31 onautic and airport transportation projects selected under section 3 of this 2005 Act to the  
32 Oregon Department of Aviation, which shall administer the projects.

33 (2) The commission shall transfer moneys for marine and port transportation projects  
34 selected under section 3 of this 2005 Act to the Economic and Community Development De-  
35 partment, which shall administer the projects.

36 (3) Except as provided in subsections (1) and (2) of this section, the Department of  
37 Transportation shall administer all transportation projects that are selected for funding un-  
38 der section 3 of this 2005 Act.

39 **SECTION 7.** Sections 1 to 6 of this 2005 Act are repealed on January 2, 2008.

40 **SECTION 8.** This 2005 Act being necessary for the immediate preservation of the public  
41 peace, health and safety, an emergency is declared to exist, and this 2005 Act takes effect  
42 July 1, 2005.