

REVENUE: May have revenue impact, statement not yet issued

FISCAL: May have fiscal impact, statement not yet issued

Action:	Do Pass as Amended, Be Printed Engrossed and Be Referred to the Committee on Ways and Means by prior reference
Vote:	7 - 0 - 0
Yeas:	Buckley, Butler, Gilman, Read, Smith G., Tomei, Beyer
Nays:	0
Exc.:	0
Prepared By:	Judith Callens, Administrator
Meeting Dates:	3/26, 4/30

WHAT THE MEASURE DOES: Revises definition of “minimum county road base funding” to mean \$4,500 per mile of county roads that are arterial and collector highways for purposes of allocating moneys from State Highway Fund. Defines arterial highway and collector highway. Increases withdrawal from State Highway Fund from \$250,000 to \$750,000 to be deposited in a separate Oregon Department of Transportation account allocated to counties for maintenance, repair and improvement of existing roads. Increases allocation from \$1.0 million to \$1.5 million from separate account distributed among all counties that had a county road base funding deficit in the prior fiscal year. Provides that a county’s share shall be based on the ratio of the amount of the county’s road deficit to the total account balance of \$1.5 million. Repeals Section 21, Chapter 618, Oregon Laws 2003. Declares emergency, effective July 1, 2007.

ISSUES DISCUSSED:

- History of allocations for county road maintenance and repair
- Change in formula to treat small counties different than large counties
- Support of all 36 counties
- Difference between arterial highways and collector highways
- Road base updates
- Loss of county timber revenue

EFFECT OF COMMITTEE AMENDMENT: Increases funding to counties to address county road base funding deficits as follows: 1) increases withdrawal from State Highway Fund from \$250,000 to \$750,000 to be deposited in a separate Oregon Department of Transportation account allocated to counties for maintenance, repair and improvement of existing roads; 2) increases allocation from \$1.0 million to \$1.5 million from separate account distributed among all counties that had a county road base funding deficit in the prior fiscal year; and 3) provides that a county’s share shall be based on the ratio of the amount of the county’s road deficit to the total account balance of \$1.5 million. Repeals Section 21, Chapter 618, Oregon Laws 2003 containing an operative date for session law being revised by this measure.

BACKGROUND: The Special County Road Program provides for minimum county road base funding through revenue sharing. According to the Association of Oregon Counties, without the revenue sharing program, counties with small populations and large road networks to maintain would otherwise be faced with failing road systems and the lack of funds needed to maintain these roads. Currently, 2003 Session Law is set to reduce county contributions to the Special County Road Program from \$750,000 to \$500,000 on July 1, 2008. The counties requested to maintain their contribution at \$750,000 if State Highway Funds could match the amount, thereby, increasing the shared revenues from \$1.0 million (\$750,000 from counties and \$250,000 from State Highway Fund) to \$1.5 million (\$750,000 each from counties and State Highway Fund).

5/8/2007 5:13:00 PM

This summary has not been adopted or officially endorsed by action of the committee.
Committee Services Form – 2007 Regular Session