

A-Engrossed
House Bill 3379

Ordered by the House May 1
Including House Amendments dated May 1

Sponsored by Representatives D EDWARDS, HUFFMAN, WHISNANT, Senator TELFER; Representatives BEYER, SCHAUFLEER, STIEGLER, Senators FERRIOLI, STARR

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. Establishes City Transportation Improvement Fund to finance Department of Transportation grants and loans to cities. Specifies uses of moneys.]

[Permits city to apply for extension or submit alternative plan if city is unable to meet funding requirements of transportation planning rule.]

[Establishes Critical Transportation Needs Income Tax Sequestration Pilot Project. Allows Oregon Transportation Commission to identify up to specified number of transportation projects and establish tax sequestration zones for areas benefited by projects. Authorizes issuance of revenue bonds to fund projects and directs Department of Revenue to sequester tax revenues from sequestration zones. Continuously appropriates moneys to Department of Transportation to repay bonds and pay costs of projects from sequestered tax revenues. Prohibits tax sequestration funded transportation projects from being established after specified date.]

[Takes effect on 91st day following adjournment sine die.]

Allows local governments that are unable to meet funding requirements of transportation planning rule adopted by Land Conservation and Development Commission to apply for extensions, submit alternative plans for funding or apply to adjust various traffic performance measures. Limits number of extensions and plans that may be approved.

Declares emergency, effective on passage.

A BILL FOR AN ACT

1
2 Relating to transportation; and declaring an emergency.

3 Whereas in March 2005, the Land Conservation and Development Commission, responding in
4 part to a decision of the Oregon Court of Appeals, amended OAR 660-012-0060, the transportation
5 planning rule, to require assurance of planned transportation system projects and reasonably likely
6 funding mechanisms to ensure that the transportation system's mobility standards are satisfied if a
7 proposed comprehensive plan or land use regulation amendment would result in an existing or
8 planned transportation facility failing to meet adopted performance standards at any time during the
9 local jurisdiction's 15- to 20-year planning period; and

10 Whereas lack of state funding for transportation system projects has precluded state partic-
11 ipation in funding mechanisms and funding responsibility for necessary improvements to the state
12 highway system identified in the transportation system plans of local jurisdictions seeking to expand
13 urban growth boundaries or rezone parcels necessary to increase land supply to accommodate eco-
14 nomic development projects; and

15 Whereas local government entities are limited in their ability to provide the transportation
16 infrastructure necessary to support economic development associated with amendments to their
17 comprehensive plans, including zone changes and urban growth boundary expansions, because of the
18 limited availability of federal, state and local funding for planned transportation projects as called

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 for in the transportation planning rule, and these limitations have led to a loss in jobs and a failure
2 to attract needed economic development projects in many communities throughout Oregon; now,
3 therefore,

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

5 **SECTION 1. (1) Subject to the limitations in subsection (2) of this section, if a local**
6 **government is unable to meet the funding requirements of the transportation planning rule**
7 **adopted by the Land Conservation and Development Commission, the local government may:**

8 (a) Apply for an extension of time to meet the requirements;

9 (b) Submit a plan to the Oregon Transportation Commission and the Department of
10 Transportation proposing alternative methods of funding that will meet the standards
11 adopted by the Oregon Transportation Commission; or

12 (c) Apply to the Department of Transportation:

13 (A) To adjust various traffic performance measures during an interim period prior to
14 completion of construction of the development in question for a period of no more than 20
15 years; or

16 (B) To allow various types of traffic performance measures other than a volume to ca-
17 pacity ratio.

18 (2) The Oregon Transportation Commission may not approve more than four applications
19 for extension or alternative plans in each Department of Transportation region in a calendar
20 year. For purposes of this subsection, the regions are as follows:

21 (a) Region one consists of Clackamas, Columbia, Hood River, Multnomah and Washington
22 Counties.

23 (b) Region two consists of Benton, Clatsop, Lane, Lincoln, Linn, Marion, Polk, Tillamook
24 and Yamhill Counties.

25 (c) Region three consists of Coos, Curry, Douglas, Jackson and Josephine Counties.

26 (d) Region four consists of Crook, Deschutes, Gilliam, Jefferson, Klamath, Lake,
27 Sherman, Wasco and Wheeler Counties.

28 (e) Region five consists of Baker, Grant, Harney, Malheur, Morrow, Umatilla, Union and
29 Wallowa Counties.

30 (3) The Oregon Transportation Commission shall adopt rules for the administration of
31 this section.

32 **SECTION 2. This 2009 Act being necessary for the immediate preservation of the public**
33 **peace, health and safety, an emergency is declared to exist, and this 2009 Act takes effect**
34 **on its passage.**