

Senate Bill 635

Sponsored by Senators MONROE, ATKINSON; Senators BURDICK, MORSE, PROZANSKI, TELFER

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 for nonmotorized vehicles and pedestrians. Establishes Nonmotorized Vehicle Transportation Fund and continuously appropriates moneys in fund to Department of Transportation to finance grants and loans to public bodies and private entities. Specifies uses of moneys.

Declares emergency, effective July 1, 2009.

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. As used in sections 2 to 6 of this 2009 Act, "transportation project" has the**
5 **meaning given that term in ORS 367.010, except that "transportation project" is limited to**
6 **those projects that benefit nonmotorized vehicles and pedestrians.**

7 **SECTION 2. (1) The Nonmotorized Vehicle Transportation Fund is established separate**
8 **and distinct from the General Fund. Interest earned by the Nonmotorized Vehicle Trans-**
9 **portation Fund shall be credited to the Nonmotorized Vehicle Transportation Fund. Moneys**
10 **in the Nonmotorized Vehicle Transportation Fund are continuously appropriated to the De-**
11 **partment of Transportation for the purposes described in subsection (2) of this section.**

12 **(2) The department shall use moneys in the Nonmotorized Vehicle Transportation Fund**
13 **to provide grants and loans for transportation projects as provided under section 4 of this**
14 **2009 Act.**

15 **(3) All moneys received by the department as interest on loans made under section 4 of**
16 **this 2009 Act and as repayment of principal of loans made under section 4 of this 2009 Act**
17 **shall be deposited into the Nonmotorized Vehicle Transportation Fund.**

18 **SECTION 3. (1) Pursuant to ORS 286A.560 to 286A.585, for the biennium beginning July**
19 **1, 2009, the State Treasurer may issue lottery bonds to finance grants and loans for trans-**
20 **portation projects as provided in section 5 of this 2009 Act.**

21 **(2) The use of lottery bond proceeds pursuant to this section is authorized based on the**
22 **following findings:**

23 **(a) There is an urgent need to improve and expand transportation infrastructure that**
24 **serves bicycles and pedestrians to support economic development in this state.**

25 **(b) Dedicated, nonmotorized transportation corridors offer safe, efficient and reliable**
26 **transportation options that may be integrated with public transit and the highway network**
27 **to move large numbers of people in a cost-effective manner.**

28 **(c) Increased use of bicycles on dedicated facilities may help to address rising levels of**
29 **traffic congestion while preserving road capacity for essential uses.**

30 **(d) Public investment in transportation infrastructure will create jobs and further eco-**

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 nomic development in this state.

2 (3) The aggregate principal amount of lottery bonds issued pursuant to this section may
3 not exceed the sum of \$_____ million plus an additional amount established by the State
4 Treasurer to pay bond-related costs. The State Treasurer may issue lottery bonds pursuant
5 to this section only at the request of the Director of Transportation.

6 (4) The net proceeds of the lottery bonds issued pursuant to this section shall be depos-
7 ited in the Nonmotorized Vehicle Transportation Fund established by section 1 of this 2009
8 Act.

9 **SECTION 4.** (1) Except as provided in subsection (2) of this section, the Department of
10 Transportation may provide, from moneys in the Nonmotorized Vehicle Transportation Fund
11 established by section 2 of this 2009 Act:

12 (a) Grants for transportation projects to public bodies, as defined in ORS 174.109, and to
13 private entities; and

14 (b) Loans for transportation projects to public bodies, as defined in ORS 174.109, and to
15 private entities.

16 (2) Grants and loans may not be made from the Nonmotorized Vehicle Transportation
17 Fund for transportation projects that could constitutionally be funded by revenues described
18 in section 3a, Article IX of the Oregon Constitution.

19 (3) The Department of Transportation shall adopt rules:

20 (a) Specifying the process by which a public body or private entity may apply for a loan
21 under this section and prescribing the terms and conditions of loans, including but not lim-
22 ited to interest rates and repayment schedules; and

23 (b) Specifying the process by which a public body or private entity may apply for a grant
24 under this section and prescribing the terms and conditions of grants, including but not
25 limited to a requirement that the public body or private entity receiving the grant provide
26 at least 20 percent of the moneys required for the transportation project.

27 **SECTION 5.** (1) The Oregon Transportation Commission shall select transportation
28 projects to be funded with moneys in the Nonmotorized Vehicle Transportation Fund estab-
29 lished by section 2 of this 2009 Act.

30 (2) Prior to selecting transportation projects, the commission shall solicit recommen-
31 dations from cities, counties and metropolitan planning organizations.

32 (3) In selecting transportation projects, the commission shall consider:

33 (a) Whether a proposed transportation project is a critical link connecting existing seg-
34 ments of nonmotorized transportation facilities;

35 (b) Whether a proposed transportation project creates an effective link to highways,
36 employment centers, schools, public transit or natural and scenic resources;

37 (c) Whether a proposed transportation project will result in increased safety for
38 bicyclists and pedestrians by providing an alternative that separates the bicyclists and pe-
39 destrians from motor vehicles;

40 (d) How much of the cost of a proposed transportation project can be borne by the ap-
41 plicant for the grant or loan;

42 (e) Whether a proposed transportation project creates construction and permanent jobs
43 in this state; and

44 (f) Whether a proposed transportation project is ready for construction.

45 **SECTION 6.** To the extent that proposed transportation projects meet the qualifications

1 established by the Oregon Transportation Commission by rule, the commission shall allocate
2 at least 10 percent of the net proceeds of the lottery bonds authorized by section 3 of this
3 2009 Act to each region described in this section. For purposes of this section, the regions
4 are as follows:

5 (1) Region one consists of Clackamas, Columbia, Hood River, Multnomah and Washington
6 Counties.

7 (2) Region two consists of Benton, Clatsop, Lane, Lincoln, Linn, Marion, Polk, Tillamook
8 and Yamhill Counties.

9 (3) Region three consists of Coos, Curry, Douglas, Jackson and Josephine Counties.

10 (4) Region four consists of Crook, Deschutes, Gilliam, Jefferson, Klamath, Lake,
11 Sherman, Wasco and Wheeler Counties.

12 (5) Region five consists of Baker, Grant, Harney, Malheur, Morrow, Umatilla, Union and
13 Wallowa Counties.

14 SECTION 7. This 2009 Act being necessary for the immediate preservation of the public
15 peace, health and safety, an emergency is declared to exist, and this 2009 Act takes effect
16 July 1, 2009.
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