

# Senate Bill 835

Sponsored by Senator 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 **as introduced**.

Authorizes issuance of lottery bonds and distribution of moneys to Hillsboro and Forest Grove to pay for construction or expansion of commuter rail transportation between Hillsboro and Forest Grove.

Creates Hillsboro-Forest Grove Commuter Rail Project Fund. Continuously appropriates moneys in fund to Department of Transportation.

Directs department to use moneys in fund to further economic development by distributing moneys to Hillsboro and Forest Grove to pay costs for commuter rail transportation system.

Declares emergency, effective July 1, 2009.

## A BILL FOR AN ACT

1  
2 Relating to public borrowing for commuter rail transportation; appropriating money; and declaring  
3 an emergency.

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

### **SECTION 1. The Legislative Assembly finds that:**

6 **(1) Among other advantages, the construction or expansion of a commuter rail trans-**  
7 **portation system between Hillsboro and Forest Grove in the Portland metropolitan area will**  
8 **create jobs and further economic development in Oregon by:**

9 **(a) Enhancing an important element of the public infrastructure that provides the basic**  
10 **framework for continuing and expanding economic activity in this state;**

11 **(b) Increasing the economy and efficiency of public transportation, improving the**  
12 **attractiveness of urban and metropolitan areas to new businesses and supporting the oper-**  
13 **ations and prosperity of existing businesses in those areas by making those businesses more**  
14 **accessible to their customers and employees;**

15 **(c) Alleviating the inefficiencies of congestion and crowding associated with, and reducing**  
16 **the burdens of expansion and maintenance of, existing public transportation systems and**  
17 **facilities, as well as reducing energy consumption and air pollution fostered by the use of**  
18 **motor vehicles; and**

19 **(d) Creating employment opportunities in urban and metropolitan areas through the**  
20 **funding of construction or expansion of the commuter rail transportation system.**

21 **(2) The factors described in subsection (1) of this section will encourage and promote**  
22 **economic development within this state, and the issuance of lottery bonds to finance the**  
23 **expansion of the commuter rail transportation system between Hillsboro and Forest Grove**  
24 **in the Portland metropolitan area is therefore an appropriate use of state lottery funds un-**  
25 **der section 4, Article XV of the Oregon Constitution, and ORS 461.510.**

26 **SECTION 2. (1) For the biennium beginning July 1, 2009, at the request of the Director**  
27 **of Transportation, the State Treasurer is authorized to issue lottery bonds pursuant to ORS**  
28 **286A.560 to 286A.585 in the amount of \$37 million for a project to construct or expand**

**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 commuter rail transportation between Hillsboro and Forest Grove, plus an additional  
2 amount, to be estimated by the State Treasurer, for payment of bond-related costs incurred  
3 by the Department of Transportation and the State Treasurer.

4 (2) Net proceeds from the sale of lottery bonds issued under subsection (1) of this section,  
5 in the amount of \$37 million, must be deposited in the Hillsboro-Forest Grove Commuter Rail  
6 Project Fund established by section 3 of this 2009 Act.

7 (3) Bond-related costs incurred by the department and the State Treasurer for the lot-  
8 tery bonds authorized by this section must be paid from the gross proceeds from the sale  
9 of the lottery bonds and from allocations for the purposes of ORS 286A.576 (1)(c).

10 (4) Neither the faith and credit nor any of the taxing power of this state is pledged or  
11 otherwise committed by sections 1 to 3 of this 2009 Act, and the commitments of this state  
12 under sections 1 to 3 of this 2009 Act do not constitute a debt or liability of this state within  
13 the meaning of section 7, Article XI of the Oregon Constitution.

14 (5) The provisions of this section and the provisions of a security document related to  
15 lottery bonds issued pursuant to this section are deemed to be a contract between the state  
16 and the holders of lottery bonds issued pursuant to this section. The state may not give force  
17 or effect to a statute, initiative measure or referendum measure if doing so would uncon-  
18 stitutionally impair existing covenants made with holders of existing lottery bonds or un-  
19 constitutionally impair an obligation or agreement regarding the security of lottery bonds.

20 **SECTION 3.** (1) The Hillsboro-Forest Grove Commuter Rail Project Fund is established  
21 separate and distinct from the General Fund. The moneys in the Hillsboro-Forest Grove  
22 Commuter Rail Project Fund and the interest earnings of the fund are continuously appro-  
23 priated to the Department of Transportation for the purpose described in subsection (2) of  
24 this section. The fund consists of moneys deposited in the fund under section 2 of this 2009  
25 Act for the purpose described in subsection (2) of this section.

26 (2) Subject to subsection (3) of this section, moneys in the fund are available to the De-  
27 partment of Transportation for distribution to the cities of Hillsboro and Forest Grove to pay  
28 for construction or expansion of a commuter rail transportation system between Hillsboro  
29 and Forest Grove.

30 (3) Before distributing moneys to Hillsboro or Forest Grove, the Director of Transporta-  
31 tion shall:

32 (a) Enter into a grant agreement with Hillsboro and Forest Grove that specifies the  
33 amount of moneys to be distributed to each city; and

34 (b) Confirm that Hillsboro and Forest Grove have entered into an intergovernmental  
35 agreement, under ORS 190.003 to 190.130, with the Tri-County Metropolitan Transportation  
36 District of Oregon that reflects a negotiated result, satisfactory to the director, for mutual  
37 recognition of mass transit users from either system for the purpose of protecting users  
38 from being double-charged when transferring from one mass transit system to the other.

39 (4) The Tri-County Metropolitan Transportation District of Oregon shall negotiate in  
40 good faith with Hillsboro and Forest Grove to enter into and implement the intergovern-  
41 mental agreement required by this section.

42 **SECTION 4.** This 2009 Act being necessary for the immediate preservation of the public  
43 peace, health and safety, an emergency is declared to exist, and this 2009 Act takes effect  
44 July 1, 2009.