

**A-Engrossed**  
**House Bill 2166**

Ordered by the House March 15  
Including House Amendments dated March 15

Introduced and printed pursuant to House Rule 12.00. Pre-session filed (at the request of Governor John A. Kitzhaber for Department of Transportation)

**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 funded from Multimodal Transportation Fund. Specifies allocation of lottery bond proceeds.  
Declares emergency, effective July 1, 2011.

**A BILL FOR AN ACT**

1  
2 Relating to financing for transportation projects; creating new provisions; repealing section 15,  
3 chapter 30, Oregon Laws 2010; and declaring an emergency.

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

5 **SECTION 1. (1) The Legislative Assembly finds that issuing lottery bonds to finance**  
6 **transportation projects is essential to promoting the state's economic development.**

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

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

10 **(b) A safe, efficient and reliable transportation network supports the long-term economic**  
11 **development and livability of this state.**

12 **(c) A multimodal network of air, rail, public transit, highway and marine transportation**  
13 **moves people and goods efficiently.**

14 **(d) Local governments and private sector businesses often lack capital and the technical**  
15 **capacity to undertake multimodal transportation projects.**

16 **(e) Public financial assistance can stimulate industrial growth and commercial enterprise**  
17 **and promote employment opportunities in this state.**

18 **(f) Public investment in transportation infrastructure will create jobs and further eco-**  
19 **nomical development in this state.**

20 **(3) The factors described in subsection (2) of this section will encourage and promote**  
21 **economic development within the State of Oregon, and issuance of lottery bonds to finance**  
22 **transportation projects is therefore an appropriate use of state lottery funds under section**  
23 **4, Article XV of the Oregon Constitution, and ORS 461.510.**

24 **SECTION 2. (1) For the biennium beginning July 1, 2011, at the request of the Oregon**  
25 **Department of Administrative Services, in consultation with the Department of Transporta-**  
26 **tion, the State Treasurer is authorized to issue lottery bonds pursuant to ORS 286A.560 to**  
27 **286A.585 in an amount not to exceed net proceeds of \$40 million for the purpose described in**

**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 subsection (2) of this section, plus an additional amount, to be estimated by the State  
2 Treasurer, for payment of bond-related costs.

3 (2) Net proceeds of lottery bonds issued pursuant to this section must be deposited in the  
4 Multimodal Transportation Fund established under ORS 367.080 sufficient to provide \$40  
5 million in net proceeds and interest earnings for disbursement to the Department of Trans-  
6 portation to finance grants and loans for transportation projects as provided in ORS 367.080  
7 to 367.086.

8 (3) Bond-related costs for the lottery bonds authorized by this section must be paid from  
9 the gross proceeds of the lottery bonds and from allocations for the purposes of ORS  
10 286A.576 (1)(c).

11 **SECTION 3.** To the extent that proposed transportation projects meet the qualifications  
12 established by the Oregon Transportation Commission by rule, the commission shall allocate  
13 at least 10 percent of the net proceeds of the lottery bonds authorized by section 2 of this  
14 2011 Act to each region described in this section. For purposes of this section, the regions  
15 are as follows:

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

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

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

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

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

25 **SECTION 4.** Section 15, chapter 30, Oregon Laws 2010, is repealed.

26 **SECTION 5.** This 2011 Act being necessary for the immediate preservation of the public  
27 peace, health and safety, an emergency is declared to exist, and this 2011 Act takes effect  
28 July 1, 2011.