



# Oregon

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**DATE:** February 1, 2012

**TO:** House Committee on Transportation and Economic Development

**FROM:** Paul Mather  
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**SUBJECT:** HB 4029 – Reallocation of JTA (2009) Funds

## INTRODUCTION

House Bill 4029 requires the Oregon Transportation Commission to submit a report to the legislative transportation committees by March 1 of each year on funds not used for projects identified in Section 64 of the 2009 Jobs and Transportation Act.

## BACKGROUND

The 2009 Legislature passed a multimodal transportation funding package, the Jobs and Transportation Act (JTA). Section 64 of the JTA specified 37 projects to be funded. If a project is constructed under the amount allocated in the JTA, the legislature must pass a law to reallocate those funds.

## WHAT THE BILL DOES

The report must include:

- The amount of funds that could be reallocated because projects identified in Section 64 of the 2009 JTA were completed with fewer dollars than the amount allocated in the bill, and
- A list of projects from Section 64 of the JTA that need additional funds to be completed. The commission must rank the priority of those projects.

HB 4029 becomes effective on January 1, 2013, making the first report due by March 1, 2013.

## ISSUES TO CONSIDER

ODOT bids the largest portion of its construction program in the spring of each year, and the bulk of construction activities occur in the summer months. If the department reported to the legislature in the fall or winter of each year, department staff would have better information about whether projects are running under budget based on the previous summer construction. We suggest November as the best month to report, and understand the legislature is considering amending the bill to require a November report. The committees could then use that current information to develop proposals for the next regular legislative session during fall and winter legislative days.

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## **SUMMARY**

HB 4029 requires the Oregon Transportation Commission to report on the unused allocation of funds designed for projects in Section 64 of the JTA by March 1 of each year to the legislative transportation committees. The report must include a prioritized list of Section 64 projects that need additional funds to be completed. The legislature may want to consider an alternative date that coincides with the bidding cycle for highway construction projects.