77th OREGON LEGISLATIVE ASSEMBLY – 2013 Regular Session MEASURE: SB 260 A STAFF MEASURE SUMMARY CARRIER:

Senate Committee on Business and Transportation

REVENUE: Revenue statement issued FISCAL: Fiscal statement issued

Action: Do Pass as Amended, Be Printed Engrossed, and Be Referred to the Committee on

Ways and Means by Prior Reference

Vote: 6 - 0 - 0

Yeas: Edwards, Girod, Monroe, Starr, Thomsen, Beyer

Nays: 0 **Exc.:** 0

Prepared By: Patrick Brennan, Administrator

Meeting Dates: 2/19, 4/2

WHAT THE MEASURE DOES: Authorizes issuance of lottery bonds for transportation projects funded from Multimodal Transportation Fund and specifies allocation of proceeds. Stipulates that railroad company may not receive, directly or indirectly, grant or loan from Multimodal Transportation Fund if railroad company charges landowner for easement to cross railroad located wholly within Linn and Benton County if crossing is necessary to enter landowner's property, unless charge was imposed and collected prior to January 1, 2013. Declares emergency, effective on passage.

ISSUES DISCUSSED:

- Examples of projects that have benefited from moneys from the Multimodal Transportation Fund
- Importance of rail and port connections for economy and for smaller communities
- Capacity of State Lottery to support additional bonding
- Efficacy of grants versus loans from the Fund
- Benefit of Fund to transit agencies
- Trade-dependent nature of state in general and Portland metropolitan region in particular
- Importance of investing in infrastructure

EFFECT OF COMMITTEE AMENDMENT: Stipulates that railroad company may not receive, directly or indirectly, grant or loan from Multimodal Transportation Fund if railroad company charges landowner for easement to cross railroad located wholly within Linn and Benton County if crossing is necessary to enter landowner's property, unless charge was imposed and collected prior to January 1, 2013.

BACKGROUND: The Legislative Assembly created the *Connect*Oregon program in 2005 to provide funding in the form of grants and loans for non-highway transportation projects, including aviation, marine, passenger and freight rail and public transportation projects. The initial program provided \$100 million in lottery-backed bonds, which provided funding for 38 projects. It was followed by an additional \$100 million in 2007 (30 projects) and 2009 (40 projects). The Legislative Assembly approved \$40 million for *Connect*Oregon IV in 2011; the funds were used to help finance 38 projects, which were able to leverage a total of \$95 million in non-*Connect*Oregon funds. Overall, the *Connect*Oregon program in its four iterations has received a total of 424 eligible project applications, of which 203 were selected for funding. When combined with leveraged funds, the program has resulted in a total of \$834 million in direct investment to multimodal transportation improvements.

Senate Bill 260-A authorizes the fifth iteration of *Connect*Oregon for an unspecified amount of lottery bond proceeds to be determined later. The funds are to be allocated to five geographic regions across Oregon, with each of the five regions to receive at least 10 percent of the total allocated, provided there are qualified projects in each region to be funded.

Senate Bill 260-A also stipulates that a railroad company may not receive funding from the Multimodal Transportation Fund if it charges a landowner for an easement to cross the railroad, unless the charge was imposed and collected prior to January 1, 2013. The measure applies only to the Albany & Eastern Railroad.