

STAFF MEASURE SUMMARY

House Committee On Transportation and Economic Development

Fiscal: Fiscal impact issued**Revenue:** Revenue impact issued**Action Date:** 04/15/15**Action:** Do Pass And Be Referred To Ways And Means By Prior Reference**Meeting Dates:** 04/13, 04/15**Vote:**

Yeas: 6 - Bentz, Davis, Hack, Lively, McKeown, McLain

Exc: 1 - Gorsek

Prepared By: Patrick Brennan, Committee Administrator

WHAT THE MEASURE DOES:

Authorizes issuance of lottery bonds for transportation projects funded through the Multimodal Transportation Fund during the 2015-17 biennium. Specifies allocation of lottery bond proceeds by region. Declares emergency, effective on passage.

ISSUES DISCUSSED:

- Projects funded by previous iterations of *ConnectOregon*
- Importance of transportation infrastructure to the economy, particularly in rural areas
- Grants versus loans
- Project application review process

EFFECT OF COMMITTEE AMENDMENT:

No amendment.

BACKGROUND:

The Legislative Assembly created the *ConnectOregon* program in 2005 to provide funding for 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 *ConnectOregon* IV in 2011; the funds were used to help finance 38 projects, which were able to leverage a total of \$95 million in non-*ConnectOregon* funds. Overall, the *ConnectOregon* program in its first four iterations received a total of 424 eligible project applications, of which 203 were selected for funding. When combined with leveraged funds, the program has generated a total of \$834 million in direct investment to multimodal transportation improvements. In 2013, a fifth iteration, *ConnectOregon* V, provided \$42 million to fund additional projects.