

STAFF MEASURE SUMMARY

House Committee On Rules

Fiscal: Fiscal impact issued**Revenue:** No Revenue Impact**Action Date:** 06/03/15**Action:** Do Pass As Amended, Be Printed Engrossed, And Bill Be Referred To Ways And Means.**Meeting Dates:** 06/03**Vote:**

Yeas: 7 - Barnhart, Gilliam, Hoyle, McLane, Nosse, Rayfield, Smith Warner

Nays: 2 - Kennemer, Wilson

Prepared By: Erin Seiler, Committee Administrator**WHAT THE MEASURE DOES:**

Changes name of Multimodal Transportation Fund to Connect Oregon Fund. Revises definition of “transportation project” for purposes of Fund to include marine projects and to clarify that definition does not include operating costs or purchase of vehicles (as defined by ORS 801.590). Deletes provisions relating to loans made from Fund. Increases requirement for local project funding from 20 percent to 30 percent of project cost. Includes as part of project selection criteria whether project has useful life expectancy that offers maximum benefit to State. Prohibits Director of Oregon Department of Transportation from appointing member of final project review committee who represents entity that has application under consideration by committee or direct financial interest in application under final review. Declares emergency, effective on passage.

ISSUES DISCUSSED:

- Non-highway transportation projects, including aviation, marine, passenger and freight rail and public transportation projects funded by previous iterations of *ConnectOregon*
- Inclusion of long-term durability of transportation project as part of selection criteria
- Elimination of conflict of interest during project selection
- Work group

EFFECT OF COMMITTEE AMENDMENT:

Replaces original measure.

BACKGROUND:

The Legislative Assembly created the *ConnectOregon* 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 *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 resulted in a total of \$834 million in direct investment to multimodal transportation improvements. A fifth iteration, *ConnectOregon V*, provided \$42 million to fund additional projects.