

**PROPOSED AMENDMENTS TO
HOUSE BILL 2274**

1 On page 1 of the printed bill, line 2, delete “and”.

2 In line 3, after “2013” insert “; and declaring an emergency”.

3 Delete lines 5 through 31 and delete pages 2 through 4 and insert:

4 **“SECTION 1.** ORS 367.080 is amended to read:

5 “367.080. [(1) *As used in ORS 367.080 to 367.086, ‘transportation project’*
6 *has the meaning given that term in ORS 367.010.*]

7 **“(1) As used in ORS 367.080 to 367.086:**

8 **“(a) ‘Transportation project’ means a project or undertaking for**
9 **transit, rail, marine, aviation and bicycle and pedestrian capital**
10 **infrastructure, including bridges, paths and ways, or a project that**
11 **facilitates the transportation of materials, animals or people. A**
12 **transportation project does not include costs associated with operating**
13 **expenses or the purchase of vehicles.**

14 **“(b) ‘Vehicle’ has the meaning given that term in ORS 801.590.**

15 **“(2) The [Multimodal Transportation] Connect Oregon Fund is estab-**
16 **lished separate and distinct from the General Fund. Earnings on moneys in**
17 **the [Multimodal Transportation] Connect Oregon Fund shall be deposited**
18 **into the fund. Moneys in the [Multimodal Transportation] Connect Oregon**
19 **Fund are continuously appropriated to the Department of Transportation for**
20 **the purposes described in subsection (3) of this section and in ORS 367.086.**

21 **“(3) The department shall use moneys in the [Multimodal**
22 **Transportation] Connect Oregon Fund to provide grants [and loans] for**

1 transportation projects as provided in ORS 367.080 to 367.086. Grants [*and*
2 *loans*] may be provided only for projects that involve one or more of the
3 following modes of transportation:

4 “(a) Air;

5 “(b) Marine;

6 “(c) Rail;

7 “(d) Public transit; and

8 “(e) Bicycle and pedestrian.

9 “[*(4) All moneys received by the department as interest on loans made un-*
10 *der this section and as repayment of principal of loans made under this section*
11 *shall be deposited into the Multimodal Transportation Fund.*]

12 “**SECTION 2.** ORS 367.082 is amended to read:

13 “367.082. (1) Except as provided in subsection (2) of this section, the De-
14 partment of Transportation may provide, from moneys in the [*Multimodal*
15 *Transportation*] **Connect Oregon** Fund established by ORS 367.080,[:]

16 “[*(a)*] grants for transportation projects to public bodies, as defined in
17 ORS 174.109, and to private entities[; *and*]

18 “[*(b) Loans for transportation projects to public bodies, as defined in ORS*
19 *174.109, and to private entities*].

20 “(2) Grants [*and loans*] may not be made from the [*Multimodal Transpor-*
21 *tation*] **Connect Oregon** Fund for transportation projects that could consti-
22 tutionally be funded by revenues described in section 3a, Article IX of the
23 Oregon Constitution.

24 “(3) The Department of Transportation shall adopt rules[:]

25 “[*(a) Specifying the process by which a public body or private entity may*
26 *apply for a loan under this section and prescribing the terms and conditions*
27 *of loans, including but not necessarily limited to interest rates and repayment*
28 *schedules; and*]

29 “[*(b)*] specifying the process by which a public body or private entity may
30 apply for a grant under this section and prescribing the terms and conditions

1 of grants, including but not necessarily limited to a requirement that the
2 public body or private entity receiving the grant provide at least [20] **30**
3 percent of the moneys required for the transportation project.

4 **“SECTION 3.** ORS 367.084 is amended to read:

5 “367.084. (1) The Oregon Transportation Commission shall select trans-
6 portation projects to be funded with moneys in the [*Multimodal Transporta-*
7 *tion*] **Connect Oregon** Fund established by ORS 367.080.

8 “(2)(a) Prior to selecting aeronautic and airport transportation projects,
9 the commission shall solicit recommendations from the State Aviation Board.

10 “(b) Prior to selecting freight transportation projects, the commission
11 shall solicit recommendations from the Freight Advisory Committee.

12 “(c) Prior to selecting public transit and rail projects, the commission
13 shall solicit recommendations from its public transit and rail advisory com-
14 mittees.

15 “(d) Prior to selecting marine projects, the commission shall solicit rec-
16 ommendations from the Oregon Business Development Department.

17 “(e) Prior to selecting bicycle and pedestrian projects, the commission
18 shall solicit recommendations from the advisory committee created by ORS
19 366.112.

20 “(3) In selecting transportation projects the commission shall consider:

21 “(a) Whether a proposed transportation project reduces transportation
22 costs for Oregon businesses or improves access to jobs and sources of labor;

23 “(b) Whether a proposed transportation project results in an economic
24 benefit to this state;

25 “(c) Whether a proposed transportation project is a critical link connect-
26 ing elements of Oregon’s transportation system that will measurably improve
27 utilization and efficiency of the system;

28 “(d) How much of the cost of a proposed transportation project can be
29 borne by the applicant for the grant or loan from any source other than the
30 [*Multimodal Transportation*] **Connect Oregon** Fund; [*and*]

1 “(e) Whether a proposed transportation project is ready for
2 construction[.]; and

3 “(f) Whether a proposed transportation project has a useful life
4 expectancy that offers maximum benefit to the state.

5 “(4) To promote fairness in the selection process, the Director of
6 Transportation may not choose a member of a final review committee:

7 “(a) Who represents an entity that submitted an application for a
8 Connect Oregon Fund grant that is being considered for funding by a
9 final review committee; or

10 “(b) Has a direct financial interest in an application that is being
11 considered for funding by a final review committee.

12 “**SECTION 4.** ORS 367.086 is amended to read:

13 “367.086. (1) The Department of Transportation, in cooperation with the
14 Oregon Department of Aviation, shall administer aeronautic and airport
15 transportation projects selected under ORS 367.084 for funding with moneys
16 in the [*Multimodal Transportation*] **Connect Oregon** Fund. The Oregon De-
17 partment of Aviation may use moneys from the [*Multimodal Transportation*]
18 **Connect Oregon** Fund to pay administrative costs incurred by the Oregon
19 Department of Aviation in carrying out the provisions of ORS 367.080 to
20 367.086.

21 “(2) Except as provided in subsection (1) of this section, the Department
22 of Transportation shall administer all transportation projects that are se-
23 lected under ORS 367.084. The Department of Transportation may use moneys
24 from the [*Multimodal Transportation*] **Connect Oregon** Fund to pay admin-
25 istrative costs incurred by the Department of Transportation in carrying out
26 the provisions of ORS 367.080 to 367.086.

27 “**SECTION 5.** Section 11, chapter 786, Oregon Laws 2013, is amended to
28 read:

29 “**Sec. 11.** (1) For the biennium beginning July 1, 2013, at the request of
30 the Oregon Department of Administrative Services, in consultation with the

1 Department of Transportation, the State Treasurer is authorized to issue
2 lottery bonds pursuant to ORS 286A.560 to 286A.585 in an amount that
3 produces \$42 million in net proceeds and interest earnings for the purpose
4 described in subsection (2) of this section, plus an additional amount esti-
5 mated by the State Treasurer to be necessary to pay bond-related costs.

6 “(2) Net proceeds of lottery bonds issued pursuant to this section and in-
7 terest earnings must be transferred to the Department of Transportation for
8 deposit in the [*Multimodal Transportation*] **Connect Oregon** Fund estab-
9 lished under ORS 367.080 in an amount sufficient to provide \$42 million for
10 the department to finance grants [*and loans*] for transportation projects as
11 provided in ORS 367.080 to 367.086.

12 “(3) Bond-related costs for the lottery bonds authorized by this section
13 must be paid from the gross proceeds of the lottery bonds and from allo-
14 cations for the purposes of ORS 286A.576 (1)(c).

15 “(4) The Legislative Assembly finds that issuing lottery bonds to finance
16 transportation projects pursuant to this section is essential to promoting the
17 state’s economic development and the use of lottery bond proceeds is au-
18 thorized based on the following findings:

19 “(a) There is an urgent need to improve and expand publicly owned and
20 privately owned transportation infrastructure to support economic develop-
21 ment in this state.

22 “(b) A safe, efficient and reliable transportation network supports the
23 long-term economic development and livability of this state.

24 “(c) A multimodal network of air, rail, public transit, highway and marine
25 transportation moves people and goods efficiently.

26 “(d) Local governments and private sector businesses often lack capital
27 and the technical capacity to undertake multimodal transportation projects.

28 “(e) Public financial assistance can stimulate industrial growth and com-
29 mercial enterprise and promote employment opportunities in this state.

30 “(f) Public investment in transportation infrastructure will create jobs

1 and further economic development in this state.

2 “(g) The use of lottery bond proceeds as provided in this section will
3 create jobs, further economic development, finance public education or re-
4 store and protect parks, beaches, watersheds, and native fish and wildlife
5 within Oregon, and issuance of lottery bonds for the purpose described in
6 this section is therefore an appropriate use of state lottery funds under Ar-
7 ticle XV, section 4, of the Oregon Constitution, and ORS 461.510.

8 **“SECTION 6.** ORS 824.237 is amended to read:

9 “824.237. (1) Notwithstanding ORS 367.082, a railroad company may not
10 receive, directly or indirectly, a grant [*or loan*] of moneys from the [*Multi-*
11 *modal Transportation*] **Connect Oregon** Fund established in ORS 367.080 if
12 the railroad company charges a landowner for an easement to cross a rail-
13 road that is necessary for the landowner to access the landowner’s property.

14 “(2)(a) This section applies only to a railroad company that operates a
15 railroad located wholly within the boundaries of Benton and Linn Counties.

16 “(b) The provisions of this section do not apply to a railroad company
17 that was imposing and collecting the charge before January 1, 2013.

18 “(3) Rules adopted by the Department of Transportation under ORS
19 367.082 relating to applications for grants [*or loans*] of moneys from the
20 [*Multimodal Transportation*] **Connect Oregon** Fund must provide for notice
21 to applicants of the restrictions imposed by this section.

22 “(4) If the department determines that a railroad company has charged a
23 landowner for an easement in violation of this section, the department may
24 not thereafter make any further grants [*or loans*] of moneys from the
25 [*Multimodal Transportation*] **Connect Oregon** Fund that would benefit the
26 railroad company.

27 **“SECTION 7. The Connect Oregon Fund is a continuation of the**
28 **Multimodal Transportation Fund established by ORS 367.080. Moneys**
29 **contained in the Multimodal Transportation Fund on the effective date**
30 **of this 2015 Act are considered to be moneys in the Connect Oregon**

1 **Fund.**

2 **“SECTION 8. (1) The amendments to ORS 367.080, 367.082, 367.084,**
3 **367.086 and 824.237 and section 11, chapter 786, Oregon Laws 2013, by**
4 **sections 1 to 6 of this 2015 Act apply only to loan applications received**
5 **on or after the effective date of this 2015 Act. Any loan application**
6 **received before the effective date of this 2015 Act shall continue to be**
7 **governed by ORS 367.080, 367.082, 367.084, 367.086 and 824.237 and section**
8 **11, chapter 786, Oregon Laws 2013, as those statutes were in effect**
9 **immediately before the effective date of this 2015 Act.**

10 **“(2) All moneys received by the Department of Transportation as**
11 **interest on loans made under ORS 367.080 and 367.082 and as repayment**
12 **of principal of loans made under ORS 367.080 and 367.082 shall be de-**
13 **posited into the Connect Oregon Fund.**

14 **“SECTION 9. This 2015 Act being necessary for the immediate**
15 **preservation of the public peace, health and safety, an emergency is**
16 **declared to exist, and this 2015 Act takes effect on its passage.”.**

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