

FISCAL IMPACT OF PROPOSED LEGISLATION

79th Oregon Legislative Assembly – 2017 Regular Session
Legislative Fiscal Office

Measure: HB 3230

***Only Impacts on Original or Engrossed
Versions are Considered Official***

Prepared by: Nick Herrera
Reviewed by: Gregory Jolivet
Date: 4/10/2017

Measure Description:

Appropriates moneys from General Fund to Department of Transportation for deposit in Safe Routes to Schools Fund for grant awards under safe routes to schools program.

Government Unit(s) Affected:

Oregon Department of Transportation (ODOT)

Analysis:

HB 3230 appropriate \$12,000,000 to ODOT, out of the General Fund, to be deposited in the Safe Routes to Schools Fund. The bill also amends statutes related to the Safe Routes to School program, and requires ODOT to provide additional services to high poverty schools in the administration of the program. Additionally, the bill specifies that ODOT must spend at least \$20,000,000 of the funds received from the State Highway Fund, on the planning, design, and construction of safe routes to schools infrastructure projects that will reduce barriers and hazards to children walking or bicycling to and from school, and defines "safe routes to schools infrastructure project."

ODOT has indicated that the bill would affect three divisions: Transportation Safety Division, Transportation Development Division, and the Highway Division.

Currently, the Transportation Safety Division administers the Safe Routes to Schools program. The proposed changes in the bill would require a significant update to ODOT's administrative rules related to the program. The rulemaking process is anticipated to have a minimal impact to the Department.

The Highway Division within ODOT administers State Highway Funds received by the Department. As a result of the bill directing \$20,000,000 of State Highway Funds be spent on the planning, design, and construction of safe routes to schools; it is anticipated that the bill will pose a significant impact to the distribution of State Highway Funds, and existing projects. ODOT estimates that it currently spends approximately \$12,000,000 per biennium on projects that would qualify under the definition of infrastructure projects in the bill. However, it is unknown how many of these expenditures would qualify under the requirement that these projects occur within a one-mile radius of a high poverty school. The sequestration of \$20,000,000 in State Highways Funds for this purpose would pose a significant impact to existing infrastructure projects, and would likely require that some of them be postponed or cancelled, although the extent is unknown at this time.

The Transportation Development Division would be responsible for selecting the projects to be funded under the program. It is anticipated that existing staff resources would be diverted from other priorities to conduct the planning work required for these projects.