

**Testimony of Randy Tucker, Legislative Affairs Manager
In Support of 2020 Climate Legislation (LC 19)
Senate Committee on Environment and Natural Resources
January 13, 2020**



Chair Dembrow and Members of the Committee:

Metro is the elected regional government that represents approximately 1.8 million people in the 24 cities and three counties of the Portland metropolitan area. On behalf of the Metro Council, I wish to express strong support for the passage in the 2020 session of legislation to reduce greenhouse gas (GHG) emissions in Oregon.

As you know, the transportation sector is responsible for the largest share of Oregon's GHG emissions. For this reason, Metro supports placing a price on GHG emissions from the transportation sector through the "cap and invest" program envisioned in LC 19, and using auction proceeds from that program to reduce emissions from transportation.

As you may also know, in the 2009 Jobs and Transportation Act (HB 2001) the Legislature directed Metro to develop and implement a plan for reducing GHG emissions from transportation to meet state climate targets. We developed this plan – known as the [Climate Smart Strategy](#) – through a collaborative regional effort and adopted it in 2014 with broad regional support. It was then approved in 2015 by the Land Conservation and Development Commission (LCDC).

The Climate Smart Strategy includes investments in a wide range of transportation projects and programs including, but not limited to, road connectivity, transit capital and operations, bicycle and pedestrian infrastructure, and technology that improves traffic flow. In adopting this strategy, the region affirmed its commitment to provide transportation choices, keep our air clean, build healthy and equitable communities, and grow our economy – all while significantly reducing GHG emissions.

However, funding is still needed if we are to reach our climate goals and provide all of these co-benefits. The new revenue for transit operations provided by the 2017 transportation package (HB 2017) represents real progress, but it's important to leverage this transit service expansion with other investments that will further reduce emissions. There is no silver bullet: we need the full range of investments to successfully achieve our goals.

Last February, the Joint Policy Advisory Committee on Transportation (JPACT)¹ and the Metro Council unanimously approved [Resolution No. 19-4969](#), which called on the Legislature to pass a climate bill that would

- Direct an appropriate share of transportation-specific auction proceeds to the region for the implementation of the Climate Smart Strategy;
- Require that those proceeds be spent in ways that yield the greatest long-term reduction in GHG emissions per dollar spent; and

¹ JPACT includes elected officials from Metro and the cities and counties of the Portland region as well as agency representatives. Together with the Metro Council, it plays a key role in directing regional transportation funding and policy.

- Authorize the region to select specific expenditures through a strategic and transparent regional process.

So we are pleased to see the language in Sections 33-36 of LC 19 that calls for direct allocation of a proportionate share of funds in the Transportation Decarbonization Investments Account (TDIA) to Metro and the cities and counties of our region to implement the Climate Smart Strategy. The language also creates an incentive, and provides funding, for other areas of the state to develop and implement their own metropolitan climate plans.

More specifically, LC 19:

- Establishes a definition of a “metropolitan climate plan” that includes the Climate Smart Strategy, as well as plans that would be developed in the future by other metropolitan planning organizations (MPOs), cities and counties and approved by the state
- Directs 20% of transportation-specific auction proceeds to the Oregon Department of Transportation and 80% to local jurisdictions for implementation of metropolitan climate plans
- Calls for proportionate distribution of the local portion of those proceeds based on population, vehicle miles traveled, and other factors that the Oregon Transportation Commission may adopt by rule
- Provides that half of the Portland region’s proportionate share be distributed directly to Metro and half be distributed directly to the cities and counties of the region
- Requires Metro to consult with JPACT, and cities and counties to consult with Metro, with respect to specific expenditures of their respective shares of these moneys
- Requires that, to the extent practicable, these moneys be spent in ways that achieve the greatest reduction in GHG emissions per dollar spent

I was pleased to work with regional partners in proposing an approach to this portion of the bill that strikes a balance between Metro’s accountability to the state for achieving the targets of the Climate Smart Strategy, the need for our cities and counties to have predictable funding, and the potential for region-wide or multijurisdictional investments that can leverage greater reductions in GHG emissions.

I would like to call your attention to one element of LC 19 that I believe still needs attention. Section 89 describes what might happen if the Oregon Supreme Court rules that the use of transportation-specific auction proceeds are not constitutionally restricted to projects located in the road right-of-way. Combined with the provisions of Sections 28 and 29 (which describe funds that go into the TDIA) and Section 34 (which establishes the TDIA), this section seems to entirely eliminate the TDIA, and with it the entire funding stream for implementation of metropolitan climate plans, including the Climate Smart Strategy. This may not be the intent of this section; at any rate, greater clarity would be helpful as to the fate of local funding in the event of such a ruling. Given that the Climate Smart Strategy also includes elements that cannot be funded with constitutionally restricted dollars, a preferable approach might be to allow the 80% local share of the TDIA to be used for those purposes, and to divert the state’s 20% share to the uses listed in Section 89.

Once again, thank you for the opportunity to testify and for the work you have already done, and have yet to do, to advance this important legislation. We urge you to pass LC 19 in the 2020 session to secure an economic future for our state that is smart, fair and environmentally responsible.