Senate Bill 652

Sponsored by Senator BOQUIST

SUMMARY

The following summary is not prepared by the sponsors of the measure and is not a part of the body thereof subject to consideration by the Legislative Assembly. It is an editor's brief statement of the essential features of the measure as introduced.

Modifies laws related to transportation projects.

A BILL FOR AN ACT

Relating to transportation; creating new provisions; and amending ORS 367.095, 367.097, 367.620 and 383.150 and section 71d, chapter 750, Oregon Laws 2017.

Be It Enacted by the People of the State of Oregon:

SECTION 1. Section 71d, chapter 750, Oregon Laws 2017, as amended by section 5, chapter 93, Oregon Laws 2018, is amended to read:

Sec. 71d. (1) On and after January 1, 2020, the Oregon Transportation Commission shall use the proceeds of bonds, as defined in ORS 367.010, authorized under ORS 367.620 (3)(d) to finance the transportation projects listed in this section. The commission shall determine the order of completion for the projects listed in subsection (2) of this section[, except that the commission may allocate funds for the following projects only after the commission determines that remaining projects described in subsection (2) of this section and the mega transportation projects listed in section 2 (1) of this 2019 Act are completed:

(a) Southeast Powell Boulevard jurisdiction transfer as described in ORS 366.483, listed under subsection (2)(a)(E) of this section; and

(b) State Highway 22 and Center Street Bridge, seismic retrofit in the City of Salem, listed under subsection (2)(b)(H) of this section.

(2) No later than January 1, 2024, the commission shall allocate the following amounts to each region, as described in ORS 366.805, for the projects listed below, provided that the commission determines that the projects could constitutionally be funded by revenues described in Article IX, section 3a, of the Oregon Constitution:

(a) Region 1: $249,700,000

(A) State Highway 211 improvements beginning where the highway intersects with State Highway 213 and ending where the highway intersects Molalla Avenue in the City of Molalla

(B) WaNaPa Street improvements

NOTE: Matter in boldfaced type in an amended section is new; matter [italic and bracketed] is existing law to be omitted. New sections are in boldfaced type.
in the City of Cascade

(C) Port of Hood River bridge
replacement environmental
impact study

(D) Columbia Boulevard
pedestrian safety

(E) Southeast Powell
Boulevard jurisdiction
transfer as described
under ORS 366.483

(F) Interstate 205 active traffic
management project

(G) Interstate 205 corridor
bottleneck project

(H) State Highway 217
Northbound project

(I) State Highway 217
Southbound project

(J) Improvements to Graham
Road where it intersects
with Interstate 84 in
the City of Troutdale

(b) Region 2: $ 201,950,000

(A) Oregon Manufacturing
Innovation Center
Access Roads in Columbia
County

(B) Interstate 5 at the
Aurora-Donald interchange,
Phase I

(C) State Highway 99E in
the City of Halsey

(D) State Highway 214
pedestrian safety
improvements at the
intersection with
Jefferson Street in the
City of Silverton

(E) Territorial Highway
jurisdiction transfer
as described under
ORS 366.483

(F) U.S. Highway 20 safety
upgrades from the
City of Albany to the
City of Corvallis

(G) State Highway 58, adding
passing lanes west of the
City of Oakridge

(H) State Highway 22 and Center
Street Bridge, seismic
retrofit in the City of Salem

(I) State Highway 99 in
City of Eugene
jurisdiction transfer
as described
under ORS 366.483

(J) State Highway 126
Florence-Eugene
Highway for
environmental impact study

(K) 42nd Street in the City
of Springfield

(L) Newberg and Dundee Bypass,
State Highway 99W,
Phase II,
shovel ready preparations

(c) Region 3: $ 75 million

(A) Scottsburg Bridge on
State Highway 38 in
Douglas County

(B) Southern Oregon seismic
triage transportation
project

(d) Region 4: $ 76,493,000

(A) U.S. Highway 97 Cooley
Road mid-term
improvements

(B) U.S. Highway 97 at
Terrebonne

(C) Improvements to Alder
Creek Road in
Wheeler County

(D) Pedestrian safety
improvements
in the City of Dufur

(E) Pedestrian safety
improvements in the
City of Prineville
(F) Tom McCall Road roundabout
(G) Pedestrian safety improvements in the City of Arlington
(e) Region 5: $ 43,647,000
(A) Port of Umatilla Road
(B) Hermiston North First Place Project in the City of Hermiston
(C) State Highway 30 and Hughes Lane intersection in Baker County
(D) Eastern Oregon Trade and Event Center access road
(E) Pedestrian safety improvements in the City of Heppner
(F) Pedestrian safety improvements in the City of Milton-Freewater
(G) Columbia Development Authority Access Road
(H) Pedestrian safety improvements in the City of Burns
(I) Pedestrian safety improvements in the City of Irrigon
(J) U.S. Highway 20 freight mobility enhancements
(K) Cedar Street and Hughes Lane enhancements in Baker County

(3)(a) When the commission determines that a project described in this section is completed, the commission shall reallocate any amount remaining from the allocation made under this section to another project described in the same region.
(b) When the commission determines that all of the projects within a region are completed, the commission shall reallocate any amount remaining from the allocation made under this section to any other project listed in this section.
(4) The amounts described in this section for jurisdiction transfers described in ORS 366.483 may not be allocated until after the transfer for which the allocation is dedicated occurs.
SECTION 2. (1) The Oregon Transportation Commission shall use the proceeds of bonds, as defined in ORS 367.010, authorized under ORS 367.620 (3)(e) to finance the following mega transportation projects:
   (a) The Interstate 5 Rose Quarter Project.
   (b) The Interstate 205 Abernethy Bridge Project.
   (c) The Interstate 205 Freeway Widening Project.

   (2) The commission shall determine the amount to be allocated to each mega transportation project listed in subsection (1) of this section and the order of project completion.

   (3) When the commission determines that the mega transportation projects listed in subsection (1) of this section are complete, the commission shall reallocate any remaining amounts in the Mega Transportation Projects Account established under section 8 of this 2019 Act to the transportation projects listed in section 71d, chapter 750, Oregon Laws 2017.

SECTION 3. ORS 367.620, as amended by section 71i, chapter 750, Oregon Laws 2017, is amended to read:

ORS 367.620. (1) The principal amount of Highway User Tax Bonds issued under ORS 367.615 shall be subject to the provisions of ORS 286A.035.

(2) Highway User Tax Bonds may be issued under ORS 367.615 for the purposes described in ORS 367.622 in an aggregate principal amount sufficient to produce net proceeds of not more than $500 million.

   (3)(a) Highway User Tax Bonds may be issued under ORS 367.615 for bridge purposes described in section 10 (1), chapter 618, Oregon Laws 2003, in an aggregate principal amount sufficient to produce net proceeds of not more than $1.6 billion.

   (b) Highway User Tax Bonds may be issued under ORS 367.615 for modernization purposes described in sections 10 (2) and 11, chapter 618, Oregon Laws 2003, in an aggregate principal amount sufficient to produce net proceeds of not more than $300 million.

   (c) Highway User Tax Bonds may be issued under ORS 367.615 for the purposes described in section 64, chapter 865, Oregon Laws 2009, in an aggregate principal amount sufficient to produce net proceeds of not more than $840 million. The proceeds from bonds issued as described in this paragraph that are not required for the purposes described in section 64, chapter 865, Oregon Laws 2009, shall be allocated to transportation projects, as defined in ORS 367.010.

   (d) Highway User Tax Bonds may be issued under ORS 367.615 for purposes described in section 71d, chapter 750, Oregon Laws 2017, in an aggregate principal amount sufficient to produce net proceeds of not more than $480 million.

   (e) Highway User Tax Bonds may be issued under ORS 367.615 for purposes described in section 2 of this 2019 Act, in an aggregate principal amount sufficient to produce net proceeds of not more than $80 million.

   (f) The Department of Transportation, with the approval of the State Treasurer, may designate the extent to which a series of bonds authorized under this subsection is secured and payable on a parity of lien or on a subordinate basis to existing or future Highway User Tax Bonds.

SECTION 4. The amendments to ORS 367.620 by section 3 of this 2019 Act do not impair the interest of the holders of Highway User Tax Bonds that are outstanding on the effective date of this 2019 Act or any obligations of the agreements of the Department of Transportation under its Amended and Restated Master Highway User Tax Revenue Bond Declaration dated June 1, 2006, as amended and supplemented.

SECTION 5. ORS 367.097 is amended to read:
367.097. (1) Notwithstanding ORS 367.095 (4), the Department of Transportation may use amounts available under ORS 367.095 to pay debt service for the purposes described in ORS 367.620 (3)(d) and (e).

(2) Any amounts remaining after the payment of debt service shall be used as described in ORS 367.095 (4).

SECTION 6. If rates determined under ORS 319.020 (1)(b) and 319.530 (1) are increased by two cents under section 45 (1), chapter 750, Oregon Laws 2017, the following amounts shall be deposited into the Mega Transportation Projects Account, established under section 8 of this 2019 Act:

(1) Notwithstanding ORS 367.095 (3)(b), of the amounts allocated to counties, the first $9 million shall be deposited into the account.

(2) Notwithstanding ORS 367.095 (3)(c), of the amounts allocated to cities, the first $6 million shall be deposited into the account.

SECTION 7. Section 6 of this 2019 Act is repealed on January 2, 2040.

SECTION 8. (1) The Mega Transportation Projects Account is established within the State Highway Fund. Moneys in the account are continuously appropriated to the Department of Transportation for the purpose of completing mega transportation projects described in section 2 of this 2019 Act. Interest earned by the account is credited to the State Highway Fund.

(2) The Mega Transportation Projects Account shall consist of:

(a) Moneys deposited into the account under ORS 367.095 and section 6 of this 2019 Act.

(b) Tolls as prescribed under ORS 383.150.

(c) Moneys appropriated to the account by the Legislative Assembly.

(d) Earnings on moneys in the account.

(e) Moneys from any other source.

(3) Moneys collected from tolls shall be used first to pay the expenses of the mega transportation projects described in section 2 of this 2019 Act.

SECTION 9. Section 8 of this 2019 Act is amended to read:

Sec. 8. (1) The Mega Transportation Projects Account is established within the State Highway Fund. Moneys in the account are continuously appropriated to the Department of Transportation for the purpose of completing mega transportation projects described in section 2 of this 2019 Act. Interest earned by the account is credited to the State Highway Fund.

(2) The Mega Transportation Projects Account shall consist of:

(a) Moneys deposited into the account under ORS 367.095 [and section 6 of this 2019 Act].

(b) Tolls as prescribed under ORS 383.150.

(c) Moneys appropriated to the account by the Legislative Assembly.

(d) Earnings on moneys in the account.

(e) Moneys from any other source.

(3) Moneys collected from tolls shall be used first to pay the expenses of the mega transportation projects described in section 2 of this 2019 Act.

SECTION 10. The amendments to section 8 of this 2019 Act by section 9 of this 2019 Act become operative on January 2, 2040.

SECTION 11. ORS 367.095, as amended by section 30c, chapter 93, Oregon Laws 2018, is amended to read:

367.095. (1) The following amounts shall be distributed in the manner prescribed in this section:
(a) The amount attributable to the increase in tax rates by section 45, chapter 750, Oregon Laws 2017, and the amendments to ORS 319.020 and 319.530 by sections 40 to 43, chapter 750, Oregon Laws 2017.

(b) The amount attributable to the vehicle registration and title fees imposed under ORS 803.091 and 803.422.

(c) The amount attributable to the increase in taxes and fees by the amendments to ORS 803.420, 803.645, 818.225, 818.270, 825.450, 825.476, 825.480 and 826.023 by sections 34, 35, 48, 49, 51, 52, 54, 57, 63, 64, 66, 67 and 70, chapter 750, Oregon Laws 2017.

(2) The amounts described in subsection (1) of this section shall be distributed in the following order and for the following purposes:

(a) For calendar years beginning on or after January 1, 2022, $30 million shall be deposited into the Mega Transportation Projects Account established under section 8 of this 2019 Act and used for the Interstate 5 Rose Quarter Project. This amount shall be used for the Interstate 5 Rose Quarter Project only until the later of the date on which the project is completed or on which all bonds issued to fund the project have been repaid.

(b) $10 million per year shall be deposited into the Safe Routes to Schools Fund for the purpose of providing Safe Routes to Schools matching grants under ORS 184.742. The remainder of the moneys shall be distributed as described in subsection (3) of this section.

(3) The moneys described in subsection (1) of this section that remain after the allocation of moneys described in subsection (2) of this section shall be allocated as follows:

(a) 50 percent to the Department of Transportation.

(b) 30 percent to counties for distribution as provided in ORS 366.762.

(c) 20 percent to cities for distribution as provided in ORS 366.800.

(4) The moneys described in subsection (3)(a) of this section or equivalent amounts that become available to the Department of Transportation shall be allocated as follows:

(a) $10 million for safety.

(b) Of the remaining balance:

(A) Forty percent for bridges.

(B) Thirty percent for seismic improvements related to highways and bridges.

(C) Twenty-four percent for state highway pavement preservation and culverts.

(D) Six percent for state highway maintenance and safety improvements.

SECTION 12. ORS 367.095, as amended by section 71b, chapter 750, Oregon Laws 2017, and section 30d, chapter 93, Oregon Laws 2018, is amended to read:

367.095. (1) The following amounts shall be distributed in the manner prescribed in this section:

(a) The amount attributable to the increase in tax rates by section 45, chapter 750, Oregon Laws 2017, and the amendments to ORS 319.020 and 319.530 by sections 40 to 43, chapter 750, Oregon Laws 2017.

(b) The amount attributable to the vehicle registration and title fees imposed under ORS 803.091 and 803.422.

(c) The amount attributable to the increase in taxes and fees by the amendments to ORS 803.420, 803.645, 818.225, 825.476, 825.480 and 826.023 by sections 34, 35, 48, 49, 51, 52, 63, 64, 66, 67 and 70, chapter 750, Oregon Laws 2017.

(2) The amounts described in subsection (1) of this section shall be distributed in the following order and for the following purposes:

(a) $30 million shall be deposited into the Mega Transportation Projects Account estab-
lished under section 8 of this 2019 Act and used for the Interstate 5 Rose Quarter Project. This amount shall be used for the Interstate 5 Rose Quarter Project only until the later of the date on which the project is completed or on which all bonds issued to fund the project have been repaid.

(b) $15 million per year shall be deposited into the Safe Routes to Schools Fund for the purpose of providing Safe Routes to Schools matching grants under ORS 184.742. The remainder of the moneys shall be distributed as described in subsection (3) of this section.

(3) The moneys described in subsection (1) of this section that remain after the allocation of moneys described in subsection (2) of this section shall be allocated as follows:

(a) 50 percent to the Department of Transportation.

(b) 30 percent to counties for distribution as provided in ORS 366.762.

(c) 20 percent to cities for distribution as provided in ORS 366.800.

(4) The moneys described in subsection (3)(a) of this section or equivalent amounts that become available to the Department of Transportation shall be allocated as follows:

(a) $10 million for safety.

(b) Of the remaining balance:

(A) Forty percent for bridges.

(B) Thirty percent for seismic improvements related to highways and bridges.

(C) Twenty-four percent for state highway pavement preservation and culverts.

(D) Six percent for state highway maintenance and safety improvements.

SECTION 13. ORS 383.150 is amended to read:

383.150. (1) The Oregon Transportation Commission shall establish a traffic congestion relief program.

[2] No later than December 31, 2018, the commission shall seek approval from the Federal Highway Administration, if required by federal law, to implement value pricing as described in this section.

[3] (2) After seeking and receiving approval from the Federal Highway Administration, the commission shall implement value pricing to reduce traffic congestion. Value pricing may include, but is not limited to, variable time-of-day pricing. The commission shall implement value pricing in the following locations:

(a) On Interstate 205, beginning at the Washington state line and ending where it intersects with Interstate 5 in this state.

(b) On Interstate 5, beginning at the Washington state line and ending where it intersects with Interstate 205.

(3) After seeking and receiving approval from the Federal Highway Administration, the commission shall implement tolling to pay the expenses of the following projects, including adding lanes to portions of Interstate 5 and Interstate 205:

(a) The Interstate 5 Rose Quarter Project.

(b) The Interstate 205 Abernethy Bridge Project.

(c) The Interstate 205 Freeway Widening Project.

(4) In addition to areas listed in subsection [(3)] (2) of this section, the commission may implement value pricing in other areas of this state.

(5) Notwithstanding ORS 383.009, the revenues received from value pricing under subsection (2) of this section shall be deposited into the Congestion Relief Fund established under ORS 383.155 for the implementation and administration of the congestion relief program established pursuant to this section, including but not limited to the Value Pricing Set-Up Project.
(6) Notwithstanding ORS 383.009 and 383.155, the revenues received from tolling under subsection (3) of this section shall be deposited into the Mega Transportation Projects Account established under section 8 of this 2019 Act to pay for the costs of the completing the projects for which the revenues were received.

[(6)] (7) Subject to any restrictions in an agreement with the Federal Highway Administration or other federal law, in addition to the amounts received from value pricing under this section, the moneys in the Congestion Relief Fund shall be used to implement and administer the traffic congestion relief program.

[(7)] (8) Before imposing value pricing or tolling, the commission shall report to the Joint Committee on Transportation established under ORS 171.858.

[(8)] (9) The commission may enter into agreements with the State of Washington, or the State of Washington’s designee, relating to establishing, reviewing, adjusting and collecting tolls for the program described in this section.