

**SB 1601 A STAFF MEASURE SUMMARY**  
**Joint Committee On The First Special Session of 2020**

**Carrier:** Rep. McLain

**Action Date:** 06/25/20

**Action:** Do Pass the A-Eng bill.

**House Vote**

**Yeas:** 7 - Bynum, Drazan, Holvey, Lewis, Salinas, Speaker Kotek, Stark

**Senate Vote**

**Yeas:** 7 - Burdick, Frederick, Girod, Knopp, President Courtney, Prozanski, Thatcher

**Fiscal:** Has minimal fiscal impact

**Revenue:** Has minimal revenue impact

**Prepared By:** Patrick Brennan, LPRO Analyst

**Meeting Dates:** 6/25

**WHAT THE MEASURE DOES:**

Incorporates the Elderly and Disabled Transportation Fund into the Statewide Transportation Improvement Fund. Directs Department of Transportation to transfer amounts remaining in Elderly and Disabled Special Transportation Fund (STF) into Statewide Transportation Improvement Fund (STIF) no later than July 1, 2023. Repeals statutory provisions related to Elderly and Disabled Transportation Fund. Modifies distributions from STIF to include criteria previously used for STF, including distribution to Indian tribes and counties that include no transit districts. Modifies annual target amount for formula distribution from STIF. Specifies that moneys in the STIF may not be used to supplant local and regional agency moneys directed toward public transportation service providers. Specifies that Fund moneys may be used for program administration, to fund projects of statewide significance, and to manage operation of public transportation services. Prohibits law enforcement from issuing fines related to certain documents or credentials that expired or were not submitted between March 1, 2020, and December 31, 2020, for certain offenses. Specifies that transit provisions become operative July 1, 2023. Declares emergency, effective on passage.

**ISSUES DISCUSSED:**

- Importance of transit to seniors and persons with disabilities
- Impact of COVID-19 on transit agency operations and budgets
- Important issue in both urban and rural areas throughout Oregon
- Effect of committee amendment
- Potential use of Statewide Transportation Improvement Fund moneys to maintain current operations
- Transit agencies have seen costs rise to ensure safety of passengers and operators
- Equity of transit and highway systems

**EFFECT OF AMENDMENT:**

No amendment.

**BACKGROUND:**

The Legislative Assembly created the Statewide Transportation Improvement Fund (STIF) with the passage of House Bill 2017 (2017) to provide a stable revenue stream at the state level for public transit services throughout Oregon. The legislation also created a statewide employee payroll tax of 0.1 percent to provide revenue for the STIF, which has been estimated to bring in over \$100 million per year. Moneys from the Fund are distributed by formula to public transportation providers (90 percent) and by grants to transit districts to improve services (five percent) and to improve intercity transit connections (four percent); the remaining one percent is allocated to the Oregon Department of Transportation (ODOT) for administration and to operate a technical assistance center for grant applicants.

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Prior to House Bill 2017, state funding for transit services was provided by the Elderly and Disabled Special Transportation Fund (STF), created in 1985; moneys from that Fund derive from cigarette tax revenue, excess revenue earned from photo identification cards issued by ODOT, and gas tax revenues derived from fuel sales for non-road purposes, such as ATVs, boats, and lawn maintenance equipment. House Bill 5039 (2019) directed ODOT to merge the STF and the STIF into a single public transit program. This prompted the Department to create a Consolidation Advisory Committee to make recommendations on how to bring the two programs together. The resulting recommendation is encapsulated into Senate Bill 1601-A.

Senate Bill 1601-A also creates a moratorium on law enforcement issuing citations for certain violations related to expired documents or credentials between March 1, 2020, and December 31, 2020, to accommodate persons unable to procure the necessary documents or credentials due to disruptions related to COVID-19.