

Enrolled
Senate Bill 1601

Sponsored by Senator COURTNEY; Representatives GORSEK, HAYDEN, MCKEOWN, MCLAIN,
WILDE (at the request of Joint Committee on the First Special Session of 2020)

CHAPTER

AN ACT

Relating to transportation; creating new provisions; amending ORS 184.642, 184.675, 184.751, 184.758, 184.761, 184.766, 293.701, 323.455, 323.457, 541.561 and 541.659; repealing ORS 391.800, 391.802, 391.810, 391.815, 391.820 and 391.830; and declaring an emergency.

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

REPEAL OF ELDERLY AND DISABLED TRANSPORTATION FUND

SECTION 1. ORS 391.800, 391.802, 391.810, 391.815, 391.820 and 391.830 are repealed.

SECTION 2. No later than July 1, 2023, the Department of Transportation shall transfer from the Elderly and Disabled Special Transportation Fund established under ORS 391.800 to the Statewide Transportation Improvement Fund established under ORS 184.751 any amounts remaining in the Elderly and Disabled Special Transportation Fund.

STATEWIDE TRANSPORTATION IMPROVEMENT FUND

SECTION 3. ORS 184.751 is amended to read:

184.751. (1) The Statewide Transportation Improvement Fund is established in the State Treasury, separate and distinct from the General Fund. Interest earned by the Statewide Transportation Improvement Fund shall be credited to the fund. Moneys in the fund are continuously appropriated to the Department of Transportation to finance investments and improvements [*in*] **or to maintain existing** public transportation services, except that the moneys may not be used for light rail capital expenses but may be used for light rail operation expenses.

(2) The Statewide Transportation Improvement Fund consists of:

- (a) All moneys received from the tax imposed under ORS 320.550;
- (b) Moneys appropriated or otherwise transferred to the fund by the Legislative Assembly; and
- (c) Other moneys deposited in the fund from any source.

SECTION 4. ORS 184.751, as amended by section 3 of this 2020 special session Act, is amended to read:

184.751. (1) The Statewide Transportation Improvement Fund is established in the State Treasury, separate and distinct from the General Fund. Interest earned by the Statewide Transportation Improvement Fund shall be credited to the fund. Moneys in the fund are continuously appropriated to the Department of Transportation to finance investments and improvements or to maintain ex-

isting public transportation services, except that the moneys may not be used for light rail capital expenses but may be used for light rail operation expenses.

(2) The Statewide Transportation Improvement Fund consists of:

(a) All moneys received from the tax imposed under ORS 320.550;

(b) Moneys appropriated or otherwise transferred to the fund by the Legislative Assembly;
[and]

(c) Moneys transferred to the fund under ORS 184.642, 323.455 or 323.457 (1)(d) and (2)(b);

(d) Distribution repayments, if any; and

[(c)] (e) Other moneys deposited in the fund from any source.

(3) Unless approved by the department, the moneys in the Statewide Transportation Improvement Fund may not be used to supplant local and regional agency moneys currently directed to public transportation service providers.

SECTION 5. ORS 184.758 is amended to read:

184.758. (1) The Oregon Transportation Commission shall distribute the moneys in the Statewide Transportation Improvement Fund established under ORS 184.751 [as follows:] **to the Department of Transportation to pay for:**

(a) Program administration; and

(b) **Projects of statewide significance that support the transit network and manage the operation of public transportation services.**

(2) **The moneys described in subsection (1) of this section that remain after the distribution of moneys described in subsection (1) of this section shall be distributed as follows:**

(a) Conditioned upon the commission's approval of a public transportation improvement plan, 90 percent to qualified entities;

(b) Five percent to public transportation service providers based on a competitive grant program adopted by the commission by rule;

(c) Four percent to public transportation service providers to provide funding assistance to cover the costs of improving public transportation services between two or more communities; and

(d) One percent to the Department of Transportation [to pay the department's administrative costs and expenses associated with carrying out the provisions of ORS 184.752 to 184.766 and] to establish a statewide public transportation technical resource center, the purpose of which is to assist public transportation service providers in rural areas with technical assistance, training, transportation planning and information technology.

(3) **A portion of the 90 percent distribution under subsection (2)(a) of this section shall be dedicated to transit services for older adults and individuals with disabilities. Each biennium the commission shall first distribute the moneys transferred to the fund under ORS 184.751 as needed to maintain funding that benefits older adults and individuals with disabilities in the amount distributed during the 2019-2021 biennium. Each biennium thereafter, the commission shall adjust this amount upward or downward based on the rate of growth or decline of the Statewide Transportation Improvement Fund. Moneys dedicated to transit services for older adults and individuals with disabilities under this subsection shall be distributed as follows:**

(a) Each transportation district and mass transit district shall receive that share of the moneys as the population of the counties in which the district is situated, determined under ORS 190.510 to 190.610 last preceding apportionment of the moneys, bears to the total population of this state. However, if two or more districts are situated in a single county, distribution of moneys under this subsection shall be determined as though only the mass transit district is located in that county or, if there are two or more transportation districts in the county, as though only the transportation district with the highest population is located in that county.

(b) Each county in which no part of a mass transit district or transportation district is located shall receive that share of the moneys as its population, determined under ORS

190.510 to 190.610 last preceding apportionment of the moneys, bears to the total population of this state.

(c) Each federally recognized Indian tribe shall receive that share of the moneys as the population of the tribe residing in Oregon, determined by the commission by rule, bears to the total population of this state.

(4) Each qualified entity under subsection (3) of this section shall receive an annual target amount of \$67,700. Each biennium, the commission shall adjust this amount upward or downward based on the rate of growth or decline of the Statewide Transportation Improvement Fund.

[(2) For purposes of the percentage distributions under subsection (1)(a) of this section:]

(5) After a portion of the 90 percent distribution under subsection (2)(a) of this section is distributed to transit services for older adults and individuals with disabilities under subsection (3) of this section, the commission shall distribute the remaining amount to qualified entities as follows:

(a) Each distribution must be in such shares that the amount of tax paid, as required under ORS 320.550, in the area of each qualified entity bears to the total amount of the tax paid statewide, provided that each qualified entity receives an annual target amount of *[at least]* \$100,000. Each biennium, the commission shall adjust this amount upward or downward based on the rate of growth or decline of the Statewide Transportation Improvement Fund.

(b) If more than one mass transit district or transportation district is located within a single county, the commission shall distribute the moneys to the larger district.

[(3)] (6) The commission shall adopt by rule:

(a) A competitive grant program, by which a public transportation service provider may apply for a percentage distribution under subsection *[(1)(b)] (2)(b)* of this section, and the terms and conditions of grants.

(b) A competitive grant program, by which a public transportation service provider may apply for a percentage distribution under subsection *[(1)(c)] (2)(c)* of this section, and the terms and conditions of grants.

(c) A process to review and approve a public transportation improvement plan submitted under subsection *[(4)] (7)* of this section.

(d) Procedures for appealing a rejection of a public transportation improvement plan submitted under subsection *[(4)] (7)* of this section.

(e) Any other provisions or procedures that are necessary for the commission to carry out the provisions of ORS 184.758 to 184.766.

[(4)] (7) To be eligible to receive a percentage distribution under subsection *[(1)(a)] (2)(a)* of this section, a qualified entity shall prepare and submit a public transportation improvement plan to the commission. The commission must approve the plan submitted by the qualified entity before the commission may make a percentage distribution to the qualified entity.

[(5)] (8) At a minimum, a public transportation improvement plan submitted under this section must include:

(a) For each proposed project, the amount of moneys from the percentage distribution that would be allocated to the project to fund the following:

(A) Increased frequency of bus service schedules in communities with a high percentage of low-income households;

(B) Procurement of buses that are powered by natural gas or electricity for use in areas with a population of 200,000 or more;

(C) Implementation of programs to reduce fares for public transportation in communities with a high percentage of low-income households;

(D) Expansion of bus routes and bus services to reach communities with a high percentage of low-income households;

(E) Improvement in the frequency and reliability of service connections between communities inside and outside of the qualified entity's service area;

(F) Coordination between public transportation service providers to reduce fragmentation in the provision of transportation services; *[and]*

(G) Implementation of programs to provide student transit services for students in grades 9 through 12; **and**

(H) Services for older adults and people with disabilities;

(b) For the current fiscal year, a summary of any plans and project proposals approved by an advisory committee under ORS 184.761; and

(c) If a qualified entity was a recipient of a percentage distribution in the preceding fiscal year, the amount of moneys received from the distribution that were allocated to a project for the purposes described under paragraph (a) of this subsection.

~~[(6)]~~ **(9)** If practicable, as determined by the commission by rule each qualified entity shall spend at least one percent of the amount received each year under subsection ~~[(1)(a)]~~ **(2)(a)** of this section to implement programs to provide student transit services for students in grades 9 through 12.

~~[(7)]~~ **(10)** After the commission makes a distribution under subsection ~~[(1)]~~ **(2)** of this section, qualified entities may enter into intergovernmental agreements under ORS chapter 190 to combine the moneys received for public transportation improvements.

~~[(8)]~~ **(11)** If the commission rejects a public transportation improvement plan or a grant application submitted under this section, the commission shall notify the entity or provider in writing and state the reasons for the rejection.

~~[(9)]~~ **(12)** The Department of Transportation shall make all grant applications submitted under this section available to the public.

SECTION 6. ORS 184.761 is amended to read:

184.761. (1) The governing body of each qualified entity shall appoint an advisory committee to advise and assist the governing body in prioritizing plans or projects to be funded from the moneys received from a percentage distribution under ORS 184.758 to public transportation service providers that provide services within the jurisdiction of the qualified entity.

(2) Before receiving funding for a project under ORS 184.758 **(2)(a)**, a public transportation service provider that provides services *[within the jurisdiction of a qualified entity]* shall submit a plan or project proposal to the governing body of the qualified entity and receive the advisory committee's approval of the plan or project proposal. The plans or project proposals submitted under this subsection must describe how the funds would be used. **Client-only projects, as defined by the Oregon Transportation Commission by rule, may be eligible for consideration if the project is part of a planned and coordinated community transportation program.**

(3) An advisory committee appointed under this section shall review every plan or project proposal required under subsection (2) of this section and may propose any changes to the policies or practices of the governing body **relating to the distribution of funding under ORS 184.758 (2)(a) and** that the advisory committee considers necessary to ensure that:

(a) A public transportation service provider that has received funding under ORS 184.758 **(2)(a)** has applied the moneys received in accordance with and for the purposes described in the provider's plan or project proposal; and

(b) A plan or project proposal submitted by a public transportation service provider does not fragment the provision of public transportation services.

(4) The Oregon Transportation Commission shall adopt by rule:

(a) Requirements for the composition of an advisory committee appointed under this section;

(b) Criteria that must be included in a plan or project proposal required under subsection (2) of this section; and

(c) A process by which an advisory committee shall review and approve a plan or project proposal.

(5) Notwithstanding subsection (1) of this section, the governing bodies of two or more qualified entities may appoint advisory committee members to a joint advisory committee under conditions determined by the commission by rule.

SECTION 7. ORS 184.766 is amended to read:

184.766. (1) Every qualified entity that receives a percentage distribution under ORS 184.758 shall submit the following to the Department of Transportation:

[(1)] (a) No later than 60 days after the end of the fiscal year, a report on any actions taken by a public transportation service provider located within the area of a qualified entity to mitigate the impact of the tax imposed under ORS 320.550 on passengers who reside in low-income communities;

[(2)] (b) No later than 30 days after adoption, the annual budget for the upcoming fiscal year; and

[(3)] (c) No later than 30 days after receipt of the final results of any audits of the qualified entity or of a public transportation service provider located within the area of the qualified entity as required by a local, state or federal oversight agency for purposes of statewide reporting, the final results including, but not limited to:

[(a)] (A) The state financial report required under ORS 291.040;

[(b)] (B) The results of any comprehensive review completed by the Federal Transit Administration or the department; [and]

[(c)] (C) Any information submitted by the qualified entity as a part of the requirements of a statewide audit in accordance with the federal Single Audit Act of 1984 (31 U.S.C. 7501 to 7507), as amended by the Single Audit Act Amendments of 1996 (P.L. 104-156)[.]; and

(D) Any quarterly reports that detail project progress, outcomes achieved and the expenditure of funds described under ORS 184.758 (2)(a).

(2) The Oregon Transportation Commission shall establish rules concerning the making of agreements for the distributions made to qualified entities under ORS 184.758. Each agreement must include a condition that requires a qualified entity to repay, in full, distributions paid to the qualified entity, if the commission determines that the recipient has failed meet to any terms or conditions of the agreement.

SECTION 8. The amendments to ORS 184.766 by section 7 of this 2020 special session Act apply to distributions made on or after July 1, 2023.

CONFORMING AMENDMENTS

SECTION 9. ORS 184.642 is amended to read:

184.642. (1) The Department of Transportation Operating Fund is established in the State Treasury separate and distinct from the General Fund and separate and distinct from the State Highway Fund. Except as otherwise provided in subsection (3)(e) of this section, moneys in the Department of Transportation Operating Fund are continuously appropriated to the Department of Transportation to pay expenses of the department that are incurred in the performance of functions the department is statutorily required or authorized to perform and that may not constitutionally be paid from revenues described in section 3a, Article IX of the Oregon Constitution.

(2) The operating fund shall consist of the following:

(a) Taxes paid on motor vehicle fuels or on the use of fuel in a motor vehicle for which a person is entitled to a refund under a provision described in this paragraph but for which no refund is claimed, in amounts determined under ORS 184.643. This paragraph applies to refund entitlements described in ORS 319.280 (1)(a) and (e), 319.320 (1)(a) and 319.831 (1)(b).

(b) Fees collected under ORS 822.700 for issuance or renewal of:

(A) Dismantler certificates;

(B) Vehicle dealer certificates;

(C) Show licenses;

(D) Vehicle transporter certificates;

(E) Driver training instructor certificates;

(F) Commercial driver training school certificates; and

(G) Vehicle appraiser certificates.

(c) Late fees collected under ORS 822.700.

- (d) Fees collected under ORS 822.705.
 - (e) Moneys from civil penalties imposed under ORS 822.009.
 - (f) Fees collected under ORS 807.410 for identification cards.
 - (g) Fees collected by the department for issuance of permits to engage in activities described in ORS 374.302 to 374.334 that are not directly connected to the construction, reconstruction, improvement, repair, maintenance, operation and use of a public highway, road, street or roadside rest area.
 - (h) Fees collected under ORS 835.017 for services provided to the Oregon Department of Aviation.
 - (i) Interest and other earnings on moneys in the operating fund.
- (3) Moneys in the Department of Transportation Operating Fund established by subsections (1) and (2) of this section may be spent only as follows:
- (a) Taxes described in subsection (2)(a) of this section may be used only for payment of expenses of the Department of Transportation that:
 - (A) May not constitutionally be paid from revenues described in section 3a, Article IX of the Oregon Constitution;
 - (B) Are incurred in the performance of functions the department is statutorily required or authorized to perform; and
 - (C) Are not payable from moneys described in paragraphs (b) to (e) of this subsection.
 - (b) Fees collected under subsection (2)(b) of this section may be used only to carry out the regulatory functions of the department relating to the businesses that generate the fees.
 - (c) Fees collected under ORS 822.705 may be used only for the purposes described in ORS 822.705.
 - (d) Moneys collected from civil penalties imposed under ORS 822.009 may be used only for regulation of vehicle dealers.
 - (e) Moneys collected under ORS 807.410 from fees for identification cards shall be used first to pay the expenses of the department for performing the functions of the department relating to identification cards. After paying the expenses related to identification cards, the department shall transfer the remaining moneys collected under ORS 807.410 to the *[Elderly and Disabled Special Transportation Fund established in ORS 391.800]* **Statewide Transportation Improvement Fund established in ORS 184.751**.
 - (f) Moneys from the permits described in subsection (2)(g) of this section may be used for costs of issuing the permits and monitoring the activities that generate the fees.
 - (g) Moneys from interest and other earnings on moneys in the operating fund may be used for any purpose for which other moneys in the fund may be used.

SECTION 10. ORS 323.455 is amended to read:

323.455. (1) All moneys received by the Department of Revenue from the tax imposed by ORS 323.030 (1) shall be paid over to the State Treasurer to be held in a suspense account established under ORS 293.445. The department may pay expenses for administration and enforcement of ORS 323.005 to 323.482 out of moneys received from the tax imposed under ORS 323.030 (1). Amounts necessary to pay administrative and enforcement expenses are continuously appropriated to the department from the suspense account. After the payment of administrative and enforcement expenses and refunds, 89.65 percent shall be credited to the General Fund, 3.45 percent is appropriated to the cities of this state, 3.45 percent is appropriated to the counties of this state and 3.45 percent is continuously appropriated to the Department of Transportation for the purpose of financing and improving transportation services for *[elderly individuals]* **older adults** and individuals with disabilities *[as provided in ORS 391.800 to 391.830]*.

(2) The moneys appropriated to cities and counties under subsection (1) of this section shall be paid on a monthly basis within 35 days after the end of the month for which a distribution is made. Each city shall receive such share of the money appropriated to all cities as its population, as determined under ORS 190.510 to 190.590 last preceding such apportionment, bears to the total population of the cities of the state, and each county shall receive such share of the money as its

population, determined under ORS 190.510 to 190.590 last preceding such apportionment, bears to the total population of the state.

(3) The moneys appropriated to the Department of Transportation under subsection (1) of this section shall be distributed and transferred to the [*Elderly and Disabled Special Transportation Fund established by ORS 391.800*] **Statewide Transportation Improvement Fund established in ORS 184.751** at the same time as the cigarette tax moneys are distributed to cities and counties under this section.

(4) Of the moneys credited to the General Fund under subsection (1) of this section, 51.92 percent shall be dedicated to funding the maintenance and expansion of the number of persons eligible for the medical assistance program under ORS chapter 414, or to funding the maintenance of the benefits available under the program, or both, and 5.77 percent shall be credited to the Tobacco Use Reduction Account established under ORS 431A.153.

(5) All moneys received by the Department of Revenue from the tax imposed by ORS 323.030 (4) shall be paid over to the State Treasurer to be held in a suspense account established under ORS 293.445. After the payment of refunds, the balance shall be credited to the Oregon Health Authority Fund established by ORS 413.101 and shall be used to provide the services described in ORS 430.630.

SECTION 11. If chapter 525, Oregon Laws 2019 (IRR 402), is approved by the voters at the general election held throughout this state on November 3, 2020, ORS 323.455, as amended by section 4, chapter 525, Oregon Laws 2019, is amended to read:

323.455. (1) All moneys received by the Department of Revenue from the tax imposed by ORS 323.030 (1) shall be paid over to the State Treasurer to be held in a suspense account established under ORS 293.445. The department may pay expenses for administration and enforcement of ORS 323.005 to 323.482 out of moneys received from the tax imposed under ORS 323.030 (1), after all amounts available under section 3, chapter 525, Oregon Laws 2019, for expenses for administration and enforcement of ORS 323.005 to 323.482 have been used. Amounts necessary to pay administrative and enforcement expenses are continuously appropriated to the department from the suspense account. After the payment of administrative and enforcement expenses and refunds, 89.65 percent shall be credited to the General Fund, 3.45 percent is appropriated to the cities of this state, 3.45 percent is appropriated to the counties of this state and 3.45 percent is continuously appropriated to the Department of Transportation for the purpose of financing and improving transportation services for [*elderly individuals*] **older adults** and individuals with disabilities [*as provided in ORS 391.800 to 391.830*].

(2) The moneys appropriated to cities and counties under subsection (1) of this section shall be paid on a monthly basis within 35 days after the end of the month for which a distribution is made. Each city shall receive such share of the money appropriated to all cities as its population, as determined under ORS 190.510 to 190.590 last preceding such apportionment, bears to the total population of the cities of the state, and each county shall receive such share of the money as its population, determined under ORS 190.510 to 190.590 last preceding such apportionment, bears to the total population of the state.

(3) The moneys appropriated to the Department of Transportation under subsection (1) of this section shall be distributed and transferred to the [*Elderly and Disabled Special Transportation Fund established by ORS 391.800*] **Statewide Transportation Improvement Fund established in ORS 184.751** at the same time as the cigarette tax moneys are distributed to cities and counties under this section.

(4) Of the moneys credited to the General Fund under subsection (1) of this section, 51.92 percent shall be dedicated to funding the maintenance and expansion of the number of persons eligible for the medical assistance program under ORS chapter 414, or to funding the maintenance of the benefits available under the program, or both, and 5.77 percent shall be credited to the Tobacco Use Reduction Account established under ORS 431A.153.

(5) All moneys received by the Department of Revenue from the tax imposed by ORS 323.030 (4) shall be paid over to the State Treasurer to be held in a suspense account established under ORS

293.445. After the payment of refunds, the balance shall be credited to the Oregon Health Authority Fund established by ORS 413.101 and shall be used to provide the services described in ORS 430.630.

SECTION 12. ORS 323.457 is amended to read:

323.457. (1) Moneys received under ORS 323.031 shall be paid over to the State Treasurer to be held in a suspense account established under ORS 293.445. After the payment of refunds:

(a) 29.37/30 of the moneys shall be credited to the Oregon Health Plan Fund established under ORS 414.109;

(b) 0.14/30 of the moneys are continuously appropriated to the Oregon Department of Administrative Services for distribution to the cities of this state;

(c) 0.14/30 of the moneys are continuously appropriated to the Oregon Department of Administrative Services for distribution to the counties of this state;

(d) 0.14/30 of the moneys are continuously appropriated to the Department of Transportation to be distributed and transferred to the [*Elderly and Disabled Special Transportation Fund established under ORS 391.800*] **Statewide Transportation Improvement Fund established in ORS 184.751**; and

(e) 0.21/30 of the moneys shall be credited to the Tobacco Use Reduction Account established under ORS 431A.153.

(2)(a) Moneys distributed to cities and counties under this section shall be distributed to each city or county using the proportions used for distributions made under ORS 323.455.

(b) Moneys shall be distributed to cities, counties and the [*Elderly and Disabled Special Transportation Fund*] **Statewide Transportation Improvement Fund** at the same time moneys are distributed to cities, counties and the [*Elderly and Disabled Special Transportation Fund*] **Statewide Transportation Improvement Fund** under ORS 323.455.

SECTION 13. If chapter 525, Oregon Laws 2019 (IRR 402), is approved by the voters at the general election held throughout this state on November 3, 2020, ORS 323.457, as amended by section 5, chapter 525, Oregon Laws 2019, is amended to read:

323.457. (1) Moneys received under ORS 323.031 (1) shall be paid over to the State Treasurer to be held in a suspense account established under ORS 293.445. After the payment of refunds:

(a) 29.37/30 of the moneys shall be credited to the Oregon Health Authority Fund established under ORS 413.101;

(b) 0.14/30 of the moneys are continuously appropriated to the Oregon Department of Administrative Services for distribution to the cities of this state;

(c) 0.14/30 of the moneys are continuously appropriated to the Oregon Department of Administrative Services for distribution to the counties of this state;

(d) 0.14/30 of the moneys are continuously appropriated to the Department of Transportation to be distributed and transferred to the [*Elderly and Disabled Special Transportation Fund established under ORS 391.800*] **Statewide Transportation Improvement Fund established in ORS 184.751**; and

(e) 0.21/30 of the moneys shall be credited to the Tobacco Use Reduction Account established under ORS 431A.153.

(2)(a) Moneys distributed to cities and counties under this section shall be distributed to each city or county using the proportions used for distributions made under ORS 323.455.

(b) Moneys shall be distributed to cities, counties and the [*Elderly and Disabled Special Transportation Fund*] **Statewide Transportation Improvement Fund** at the same time moneys are distributed to cities, counties and the [*Elderly and Disabled Special Transportation Fund*] **Statewide Transportation Improvement Fund** under ORS 323.455.

SECTION 14. ORS 184.675 is amended to read:

184.675. As used in ORS 184.670 to 184.733, unless the context requires otherwise:

(1) "Director" means Director of Transportation.

(2) "Department" means the Department of Transportation.

(3) "**Indian tribe**" means a federally recognized Indian tribe in Oregon that has members residing on a reservation or tribal trust lands in Oregon.

[(3)] (4) "Operating agreement" means an agreement for the operation or maintenance on behalf of the Department of Transportation of all or part of a public transportation system, but does not include agreements by which the department provides only financial or technical assistance or transportation facilities or equipment and which do not control routes, rates or levels of service, or agreements under which such control is exercised by the federal government through the department.

[(4)] (5) "Public transportation system" means any form of passenger transportation system, whether or not for hire, including but not limited to air, rail, other fixed guideway, bus, jitney, taxi and dial-a-ride passenger transportation systems within, between and outside of urban and urbanized areas, and including related passenger terminal facilities and motor vehicle parking facilities.

[(5)] (6) "Person" means the United States or any state or any department or agency of any of the above, or any nonprofit corporation or entity or any other individual, corporation or entity, either public or private.

[(6)] "*Bus*" means a motor vehicle designed for carrying 15 or more passengers, exclusive of the driver, and used for the transportation of persons.]

(7) "Public transportation entity" includes a city, county, transportation district, mass transit district, metropolitan service district, Indian tribe [as defined in ORS 391.802] or private nonprofit corporation operating a public transportation system.

SECTION 15. ORS 293.701 is amended to read:

293.701. As used in ORS 293.701 to 293.857, unless the context requires otherwise:

- (1) "Council" means the Oregon Investment Council.
- (2) "Investment funds" means:
 - (a) Public Employees Retirement Fund referred to in ORS 238.660;
 - (b) Industrial Accident Fund referred to in ORS 656.632;
 - (c) Consumer and Business Services Fund referred to in ORS 705.145;
 - (d) Employment Department Special Administrative Fund referred to in ORS 657.822;
 - (e) Insurance Fund referred to in ORS 278.425;
 - (f) Funds under the control and administration of the Department of State Lands;
 - (g) Oregon Student Assistance Fund referred to in ORS 348.570;
 - (h) Moneys made available to the Commission for the Blind under ORS 346.270 and 346.569 or rules adopted thereunder;
 - (i) Forest Development Revenue Bond Fund referred to in ORS 530.147 and State Forestry General Obligation Bond Fund referred to in ORS 530.280;
 - (j) Oregon War Veterans' Fund referred to in ORS 407.495;
 - (k) Oregon War Veterans' Bond Sinking Account referred to in ORS 407.515;
 - (l) World War II Veterans' Compensation Fund;
 - (m) World War II Veterans' Bond Sinking Fund;
 - (n) Funds in the hands of the State Treasurer that are not required to meet current demands and that are invested in the Oregon Short Term Fund established under ORS 293.728 or in another commingled investment vehicle;
 - (o) State funds that are not subject to the control and administration of officers or bodies specifically designated by law;
 - (p) Funds derived from the sale of state bonds;
 - (q) Social Security Revolving Account referred to in ORS 237.490;
 - (r) Public University Fund established by ORS 352.450;
 - (s) Local Government Employer Benefit Trust Fund referred to in ORS 657.513;
 - [(t) *Elderly and Disabled Special Transportation Fund established by ORS 391.800;*]
 - [(u)] (t) Education Stability Fund established by ORS 348.696;
 - [(v)] (u) Deferred Compensation Fund established under ORS 243.411;
 - [(w)] (v) Trust for Cultural Development Account established under ORS 359.405; and
 - [(x)] (w) The State Library Donation Fund and the Talking Book and Braille Library Endowment Fund subaccount established under ORS 357.195.

(3) "Investment officer" means the State Treasurer in the capacity as investment officer for the council.

SECTION 16. ORS 293.701, as amended by section 64, chapter 678, Oregon Laws 2019, is amended to read:

293.701. As used in ORS 293.701 to 293.857, unless the context requires otherwise:

- (1) "Council" means the Oregon Investment Council.
- (2) "Investment funds" means:
 - (a) Public Employees Retirement Fund referred to in ORS 238.660;
 - (b) Industrial Accident Fund referred to in ORS 656.632;
 - (c) Consumer and Business Services Fund referred to in ORS 705.145;
 - (d) Employment Department Special Administrative Fund referred to in ORS 657.822;
 - (e) Insurance Fund referred to in ORS 278.425;
 - (f) Funds under the control and administration of the Department of State Lands;
 - (g) Oregon Student Assistance Fund referred to in ORS 348.570;
 - (h) Moneys made available to the Commission for the Blind under ORS 346.270 and 346.569 or rules adopted thereunder;
 - (i) Forest Development Revenue Bond Fund referred to in ORS 530.147 and State Forestry General Obligation Bond Fund referred to in ORS 530.280;
 - (j) Oregon War Veterans' Fund referred to in ORS 407.495;
 - (k) Oregon War Veterans' Bond Sinking Account referred to in ORS 407.515;
 - (l) World War II Veterans' Compensation Fund;
 - (m) World War II Veterans' Bond Sinking Fund;
 - (n) Funds in the hands of the State Treasurer that are not required to meet current demands and that are invested in the Oregon Short Term Fund established under ORS 293.728 or in another commingled investment vehicle;
 - (o) State funds that are not subject to the control and administration of officers or bodies specifically designated by law;
 - (p) Funds derived from the sale of state bonds;
 - (q) Social Security Revolving Account referred to in ORS 237.490;
 - (r) Public University Fund established by ORS 352.450;
 - (s) Local Government Employer Benefit Trust Fund referred to in ORS 657.513;
 - ~~[(t) Elderly and Disabled Special Transportation Fund established by ORS 391.800;]~~
 - ~~[(u) (t) Education Stability Fund established by ORS 348.696;~~
 - ~~[(v) (u) Deferred Compensation Fund established under ORS 243.411;~~
 - ~~[(w) (v) Trust for Cultural Development Account established under ORS 359.405;~~
 - ~~[(x) (w) The State Library Donation Fund and the Talking Book and Braille Library Endowment Fund subaccount established under ORS 357.195;~~
 - ~~[(y) (x) Funds in the Unclaimed Property Revolving Fund created in ORS 98.388; and~~
 - ~~[(z) (y) Funds in the Common School Fund that are available for investment.~~

(3) "Investment officer" means the State Treasurer in the capacity as investment officer for the council.

SECTION 17. ORS 541.561 is amended to read:

541.561. (1) The Water Resources Department shall establish a grant program to pay the qualifying costs of planning studies performed to evaluate the feasibility of developing a water conservation, reuse or storage project, as described in ORS 541.566. A grant under this section may be made to a local government as defined in ORS 174.116, ~~[to an Indian tribe as defined in ORS 391.802]~~ **to a federally recognized Indian tribe in Oregon that has members residing on a reservation or tribal trust lands in Oregon** or to a person.

(2) In lieu of grants, the department may pay the cost of providing direct services, including but not limited to technical planning services, for a planning study that is eligible for a grant under this section.

(3) A grant or the cost of direct services provided under this section may not exceed \$500,000 per project. A grant or payment for direct services may be provided only if the amount of the grant or the cost of the direct services is matched by funding from another source that is not less than a dollar-for-dollar match of the amount or cost.

(4) Grants and the cost of direct services provided under this section must be paid for from moneys available in the Water Conservation, Reuse and Storage Investment Fund.

(5)(a) In evaluating above ground storage projects for awards of grants or payments for direct services under this section, the department shall give priority to projects that include provisions for using stored water to augment in-stream flows to conserve, maintain and enhance aquatic life, fish life or other ecological values.

(b) In evaluating all other eligible projects, the department shall give priority to projects identified by the department in a statewide water assessment and inventory for the award of grants or provision of payment for direct services under this section.

SECTION 18. ORS 541.659 is amended to read:

541.659. Loans and grants may be made from the Water Supply Development Account to persons as defined in ORS 536.007, [*Indian tribes as defined in ORS 391.802*] **to a federally recognized Indian tribe in Oregon that has members residing on a reservation or tribal trust lands in Oregon** and nonprofit organizations. If an applicant is required to have a water management and conservation plan, the plan must be submitted to the Water Resources Department and receive approval prior to department acceptance of an application for a loan or grant from the account.

OPERATIVE DATE

SECTION 19. (1) Sections 1 and 2 of this 2020 special session Act and the amendments to statutes by sections 4 to 7 and 9 to 18 of this 2020 special session Act become operative on July 1, 2023.

(2) The Department of Transportation may take any action before the operative date specified in subsection (1) of this section that is necessary to enable the department to exercise, on and after the operative date specified in subsection (1) of this section, all of the duties, functions and powers conferred on the department by sections 1 and 2 of this 2020 special session Act and the amendments to statutes by sections 4 to 7 and 9 to 18 of this 2020 special session Act.

MORATORIUM ON CERTAIN TRAFFIC OFFENSES

SECTION 20. Section 21 of this 2020 special session Act is added to and made a part of the Oregon Vehicle Code.

SECTION 21. (1) As used in this section, “document or credential” includes but is not limited to documents or credentials issued or accepted by the Department of Transportation such as vehicle registration, registration stickers, driving privileges, declaration of weight, disabled person parking permits, trip permits, driver licenses and driver permits.

(2) Notwithstanding any other provision of law, a police officer may not issue a citation for a traffic offense based upon a document or credential that expired or a document that was not submitted to the department during the period beginning on March 1, 2020, and ending on December 31, 2020. This subsection applies to the following offenses:

(a) Unlawful parking in a space reserved for persons with disabilities under ORS 811.615. This paragraph applies only to individuals who displayed a disabled person parking permit, issued by this state or another jurisdiction, at the time of the offense but the permit expired during the period described in this subsection.

(b) Operating a vehicle without driving privileges under ORS 807.010.

(c) Failure to register a vehicle under ORS 803.300.

(d) Failure to pay the appropriate registration fee under ORS 803.315.

- (e) Permitting unlawful operation of an unregistered vehicle under ORS 803.320.
- (f) Purchase and use of an out-of-state registered vehicle by a resident under ORS 803.325.
- (g) Failure to surrender out-of-state registration under ORS 803.380.
- (h) Failure to submit a declaration of weight under ORS 803.440.
- (i) Failure to renew vehicle registration under ORS 803.455.
- (j) Improper display of validating stickers under ORS 803.560.
- (k) Failure of a person to hold a trip permit when required under ORS 803.600 (10).
- (3) If a police officer issues a citation in violation of subsection (2) of this section, the court shall dismiss the charge.

CAPTIONS

SECTION 22. The unit captions used in this 2020 special session Act are provided only for the convenience of the reader and do not become part of the statutory law of this state or express any legislative intent in the enactment of this 2020 special session Act.

EMERGENCY CLAUSE

SECTION 23. This 2020 special session Act being necessary for the immediate preservation of the public peace, health and safety, an emergency is declared to exist, and this 2020 special session Act takes effect on its passage.

Passed by Senate June 26, 2020

.....
 Lori L. Brocker, Secretary of Senate

 Peter Courtney, President of Senate

Passed by House June 26, 2020

.....
 Tina Kotek, Speaker of House

Received by Governor:

.....M.,....., 2020

Approved:

.....M.,....., 2020

.....
 Kate Brown, Governor

Filed in Office of Secretary of State:

.....M.,....., 2020

.....
 Bev Clarno, Secretary of State