

Senate Bill 1601

Sponsored by Senator COURTNEY (at the request of Joint Committee on the First Special Session of 2020)

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**.

Upon passage, allows Statewide Transportation Improvement Fund moneys to be used to maintain existing public transportation services.

Merges Elderly and Disabled Transportation Fund with Statewide Transportation Improvement Fund. Repeals provisions related to Elderly and Disabled Transportation Fund and transfers moneys in Elderly and Disabled Transportation Fund to Statewide Transportation Improvement Fund.

Specifies that moneys in Statewide Transportation Improvement Fund may not be used to supplant local and regional agency moneys directed to public transportation service providers.

Allows use of moneys in fund to support program administration, fund projects of statewide significance and manage operation of public transportation services.

Dedicates portion of formula distributions in fund to transit services for older adults and individuals with disabilities.

Provides each qualified entity annual target amount and directs Oregon Transportation Commission to adjust target amount depending on rate of growth in fund.

Becomes operative July 1, 2023.

Declares emergency, effective on passage.

A BILL FOR AN ACT

1
2 Relating to transportation; creating new provisions; amending ORS 184.642, 184.675, 184.751, 184.758,
3 184.761, 184.766, 293.701, 323.455, 323.457, 541.561 and 541.659; repealing ORS 391.800, 391.802,
4 391.810, 391.815, 391.820 and 391.830; and declaring an emergency.

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

REPEAL OF ELDERLY AND DISABLED TRANSPORTATION FUND

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 ORS 391.800, 391.802, 391.810, 391.815, 391.820 and 391.830 are repealed.**

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

STATEWIDE TRANSPORTATION IMPROVEMENT FUND

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17 **SECTION 3. ORS 184.751 is amended to read:**

18 184.751. (1) The Statewide Transportation Improvement Fund is established in the State Treas-
19 ury, separate and distinct from the General Fund. Interest earned by the Statewide Transportation
20 Improvement Fund shall be credited to the fund. Moneys in the fund are continuously appropriated
21 to the Department of Transportation to finance investments and improvements [*in*] **or to maintain**
22 **existing** public transportation services, except that the moneys may not be used for light rail capital
23 expenses but may be used for light rail operation expenses.

24 (2) The Statewide Transportation Improvement Fund consists of:

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.

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

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

6 184.751. (1) The Statewide Transportation Improvement Fund is established in the State Treas-
7 ury, separate and distinct from the General Fund. Interest earned by the Statewide Transportation
8 Improvement Fund shall be credited to the fund. Moneys in the fund are continuously appropriated
9 to the Department of Transportation to finance investments and improvements or to maintain ex-
10 isting public transportation services, except that the moneys may not be used for light rail capital
11 expenses but may be used for light rail operation expenses.

12 (2) The Statewide Transportation Improvement Fund consists of:

- 13 (a) All moneys received from the tax imposed under ORS 320.550;
- 14 (b) Moneys appropriated or otherwise transferred to the fund by the Legislative Assembly;
- 15 [*and*]

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

17 **(d) Distribution repayments, if any; and**

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

19 **(3) Unless approved by the department, the moneys in the Statewide Transportation Im-**
20 **provement Fund may not be used to supplant local and regional agency moneys currently**
21 **directed to public transportation service providers.**

22 **SECTION 5.** ORS 184.758 is amended to read:

23 184.758. (1) The Oregon Transportation Commission shall distribute the moneys in the Statewide
24 Transportation Improvement Fund established under ORS 184.751 [*as follows:*] **to the Department**
25 **of Transportation to pay for:**

26 (a) **Program administration; and**

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

29 **(2) The moneys described in subsection (1) of this section that remain after the distrib-**
30 **ution of moneys described in subsection (1) of this section shall be distributed as follows:**

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

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

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

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

42 **(3) A portion of the 90 percent distribution under subsection (2)(a) of this section shall**
43 **be dedicated to transit services for older adults and individuals with disabilities. Each**
44 **biennium the commission shall first distribute the moneys transferred to the fund under**
45 **ORS 184.751 as needed to maintain funding that benefits older adults and individuals with**

1 disabilities in the amount distributed during the 2019-2021 biennium. Each biennium there-
 2 after, the commission shall adjust this amount upward or downward based on the rate of
 3 growth or decline of the Statewide Transportation Improvement Fund. Moneys dedicated to
 4 transit services for older adults and individuals with disabilities under this subsection shall
 5 be distributed as follows:

6 (a) Each transportation district and mass transit district shall receive that share of the
 7 moneys as the population of the counties in which the district is situated, determined under
 8 ORS 190.510 to 190.610 last preceding apportionment of the moneys, bears to the total popu-
 9 lation of this state. However, if two or more districts are situated in a single county, dis-
 10 tribution of moneys under this subsection shall be determined as though only the mass
 11 transit district is located in that county or, if there are two or more transportation districts
 12 in the county, as though only the transportation district with the highest population is lo-
 13 cated in that county.

14 (b) Each county in which no part of a mass transit district or transportation district is
 15 located shall receive that share of the moneys as its population, determined under ORS
 16 190.510 to 190.610 last preceding apportionment of the moneys, bears to the total population
 17 of this state.

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

21 (4) Each qualified entity under subsection (3) of this section shall receive an annual tar-
 22 get amount of \$67,700. Each biennium, the commission shall adjust this amount upward or
 23 downward based on the rate of growth or decline of the Statewide Transportation Improve-
 24 ment Fund.

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

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

30 (a) Each distribution must be in such shares that the amount of tax paid, as required under ORS
 31 320.550, in the area of each qualified entity bears to the total amount of the tax paid statewide,
 32 provided that each qualified entity receives an annual **target** amount of *[at least]* \$100,000. **Each**
 33 **biennium, the commission shall adjust this amount upward or downward based on the rate**
 34 **of growth or decline of the Statewide Transportation Improvement Fund.**

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

37 *[(3)]* (6) The commission shall adopt by rule:

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

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

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

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

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

5 [(4)] (7) To be eligible to receive a percentage distribution under subsection [(1)(a)] (2)(a) of this
6 section, a qualified entity shall prepare and submit a public transportation improvement plan to the
7 commission. The commission must approve the plan submitted by the qualified entity before the
8 commission may make a percentage distribution to the qualified entity.

9 [(5)] (8) At a minimum, a public transportation improvement plan submitted under this section
10 must include:

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

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

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

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

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

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

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

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

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

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

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

33 [(6)] (9) If practicable, as determined by the commission by rule each qualified entity shall spend
34 at least one percent of the amount received each year under subsection [(1)(a)] (2)(a) of this section
35 to implement programs to provide student transit services for students in grades 9 through 12.

36 [(7)] (10) After the commission makes a distribution under subsection [(1)] (2) of this section,
37 qualified entities may enter into intergovernmental agreements under ORS chapter 190 to combine
38 the moneys received for public transportation improvements.

39 [(8)] (11) If the commission rejects a public transportation improvement plan or a grant appli-
40 cation submitted under this section, the commission shall notify the entity or provider in writing
41 and state the reasons for the rejection.

42 [(9)] (12) The Department of Transportation shall make all grant applications submitted under
43 this section available to the public.

44 **SECTION 6.** ORS 184.761 is amended to read:

45 184.761. (1) The governing body of each qualified entity shall appoint an advisory committee to

1 advise and assist the governing body in prioritizing plans or projects to be funded from the moneys
 2 received from a percentage distribution under ORS 184.758 to public transportation service provid-
 3 ers that provide services within the jurisdiction of the qualified entity.

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

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

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

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

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

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

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

24 (c) A process by which an advisory committee shall review and approve a plan or project pro-
 25 posal.

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

29 **SECTION 7.** ORS 184.766 is amended to read:

30 184.766. (1) Every qualified entity that receives a percentage distribution under ORS 184.758
 31 shall submit the following to the Department of Transportation:

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

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

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

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

43 [(b)] (B) The results of any comprehensive review completed by the Federal Transit Adminis-
 44 tration or the department; [and]

45 [(c)] (C) Any information submitted by the qualified entity as a part of the requirements of a

1 statewide audit in accordance with the federal Single Audit Act of 1984 (31 U.S.C. 7501 to 7507), as
2 amended by the Single Audit Act Amendments of 1996 (P.L. 104-156)[.]; **and**

3 **(D) Any quarterly reports that detail project progress, outcomes achieved and the ex-**
4 **penditure of funds described under ORS 184.758 (2)(a).**

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

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

12
13 **CONFORMING AMENDMENTS**
14

15 **SECTION 9.** ORS 184.642 is amended to read:

16 184.642. (1) The Department of Transportation Operating Fund is established in the State
17 Treasury separate and distinct from the General Fund and separate and distinct from the State
18 Highway Fund. Except as otherwise provided in subsection (3)(e) of this section, moneys in the De-
19 partment of Transportation Operating Fund are continuously appropriated to the Department of
20 Transportation to pay expenses of the department that are incurred in the performance of functions
21 the department is statutorily required or authorized to perform and that may not constitutionally
22 be paid from revenues described in section 3a, Article IX of the Oregon Constitution.

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

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

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

- 29 (A) Dismantler certificates;
30 (B) Vehicle dealer certificates;
31 (C) Show licenses;
32 (D) Vehicle transporter certificates;
33 (E) Driver training instructor certificates;
34 (F) Commercial driver training school certificates; and
35 (G) Vehicle appraiser certificates.

36 (c) Late fees collected under ORS 822.700.

37 (d) Fees collected under ORS 822.705.

38 (e) Moneys from civil penalties imposed under ORS 822.009.

39 (f) Fees collected under ORS 807.410 for identification cards.

40 (g) Fees collected by the department for issuance of permits to engage in activities described in
41 ORS 374.302 to 374.334 that are not directly connected to the construction, reconstruction, im-
42 provement, repair, maintenance, operation and use of a public highway, road, street or roadside rest
43 area.

44 (h) Fees collected under ORS 835.017 for services provided to the Oregon Department of Avi-
45 ation.

1 (i) Interest and other earnings on moneys in the operating fund.

2 (3) Moneys in the Department of Transportation Operating Fund established by subsections (1)
3 and (2) of this section may be spent only as follows:

4 (a) Taxes described in subsection (2)(a) of this section may be used only for payment of expenses
5 of the Department of Transportation that:

6 (A) May not constitutionally be paid from revenues described in section 3a, Article IX of the
7 Oregon Constitution;

8 (B) Are incurred in the performance of functions the department is statutorily required or au-
9 thorized to perform; and

10 (C) Are not payable from moneys described in paragraphs (b) to (e) of this subsection.

11 (b) Fees collected under subsection (2)(b) of this section may be used only to carry out the reg-
12 ulatory functions of the department relating to the businesses that generate the fees.

13 (c) Fees collected under ORS 822.705 may be used only for the purposes described in ORS
14 822.705.

15 (d) Moneys collected from civil penalties imposed under ORS 822.009 may be used only for reg-
16 ulation of vehicle dealers.

17 (e) Moneys collected under ORS 807.410 from fees for identification cards shall be used first to
18 pay the expenses of the department for performing the functions of the department relating to
19 identification cards. After paying the expenses related to identification cards, the department shall
20 transfer the remaining moneys collected under ORS 807.410 to the [*Elderly and Disabled Special*
21 *Transportation Fund established in ORS 391.800*] **Statewide Transportation Improvement Fund**
22 **established in ORS 184.751.**

23 (f) Moneys from the permits described in subsection (2)(g) of this section may be used for costs
24 of issuing the permits and monitoring the activities that generate the fees.

25 (g) Moneys from interest and other earnings on moneys in the operating fund may be used for
26 any purpose for which other moneys in the fund may be used.

27 **SECTION 10.** ORS 323.455 is amended to read:

28 323.455. (1) All moneys received by the Department of Revenue from the tax imposed by ORS
29 323.030 (1) shall be paid over to the State Treasurer to be held in a suspense account established
30 under ORS 293.445. The department may pay expenses for administration and enforcement of ORS
31 323.005 to 323.482 out of moneys received from the tax imposed under ORS 323.030 (1). Amounts
32 necessary to pay administrative and enforcement expenses are continuously appropriated to the de-
33 partment from the suspense account. After the payment of administrative and enforcement expenses
34 and refunds, 89.65 percent shall be credited to the General Fund, 3.45 percent is appropriated to the
35 cities of this state, 3.45 percent is appropriated to the counties of this state and 3.45 percent is
36 continuously appropriated to the Department of Transportation for the purpose of financing and
37 improving transportation services for [*elderly individuals*] **older adults** and individuals with disa-
38 bilities [*as provided in ORS 391.800 to 391.830*].

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

1 (3) The moneys appropriated to the Department of Transportation under subsection (1) of this
 2 section shall be distributed and transferred to the [*Elderly and Disabled Special Transportation Fund*
 3 *established by ORS 391.800*] **Statewide Transportation Improvement Fund established in ORS**
 4 **184.751** at the same time as the cigarette tax moneys are distributed to cities and counties under
 5 this section.

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

11 (5) All moneys received by the Department of Revenue from the tax imposed by ORS 323.030 (4)
 12 shall be paid over to the State Treasurer to be held in a suspense account established under ORS
 13 293.445. After the payment of refunds, the balance shall be credited to the Oregon Health Authority
 14 Fund established by ORS 413.101 and shall be used to provide the services described in ORS 430.630.

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

18 323.455. (1) All moneys received by the Department of Revenue from the tax imposed by ORS
 19 323.030 (1) shall be paid over to the State Treasurer to be held in a suspense account established
 20 under ORS 293.445. The department may pay expenses for administration and enforcement of ORS
 21 323.005 to 323.482 out of moneys received from the tax imposed under ORS 323.030 (1), after all
 22 amounts available under section 3, chapter 525, Oregon Laws 2019, for expenses for administration
 23 and enforcement of ORS 323.005 to 323.482 have been used. Amounts necessary to pay administrative
 24 and enforcement expenses are continuously appropriated to the department from the suspense ac-
 25 count. After the payment of administrative and enforcement expenses and refunds, 89.65 percent
 26 shall be credited to the General Fund, 3.45 percent is appropriated to the cities of this state, 3.45
 27 percent is appropriated to the counties of this state and 3.45 percent is continuously appropriated
 28 to the Department of Transportation for the purpose of financing and improving transportation ser-
 29 vices for [*elderly individuals*] **older adults** and individuals with disabilities [*as provided in ORS*
 30 *391.800 to 391.830*].

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

38 (3) The moneys appropriated to the Department of Transportation under subsection (1) of this
 39 section shall be distributed and transferred to the [*Elderly and Disabled Special Transportation Fund*
 40 *established by ORS 391.800*] **Statewide Transportation Improvement Fund established in ORS**
 41 **184.751** at the same time as the cigarette tax moneys are distributed to cities and counties under
 42 this section.

43 (4) Of the moneys credited to the General Fund under subsection (1) of this section, 51.92 per-
 44 cent shall be dedicated to funding the maintenance and expansion of the number of persons eligible
 45 for the medical assistance program under ORS chapter 414, or to funding the maintenance of the

1 benefits available under the program, or both, and 5.77 percent shall be credited to the Tobacco Use
 2 Reduction Account established under ORS 431A.153.

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

7 **SECTION 12.** ORS 323.457 is amended to read:

8 323.457. (1) Moneys received under ORS 323.031 shall be paid over to the State Treasurer to be
 9 held in a suspense account established under ORS 293.445. After the payment of refunds:

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

12 (b) 0.14/30 of the moneys are continuously appropriated to the Oregon Department of Adminis-
 13 trative Services for distribution to the cities of this state;

14 (c) 0.14/30 of the moneys are continuously appropriated to the Oregon Department of Adminis-
 15 trative Services for distribution to the counties of this state;

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

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

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

24 (b) Moneys shall be distributed to cities, counties and the [*Elderly and Disabled Special Trans-*
 25 *portation Fund*] **Statewide Transportation Improvement Fund** at the same time moneys are dis-
 26 tributed to cities, counties and the [*Elderly and Disabled Special Transportation Fund*] **Statewide**
 27 **Transportation Improvement Fund** under ORS 323.455.

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

31 323.457. (1) Moneys received under ORS 323.031 (1) shall be paid over to the State Treasurer to
 32 be held in a suspense account established under ORS 293.445. After the payment of refunds:

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

35 (b) 0.14/30 of the moneys are continuously appropriated to the Oregon Department of Adminis-
 36 trative Services for distribution to the cities of this state;

37 (c) 0.14/30 of the moneys are continuously appropriated to the Oregon Department of Adminis-
 38 trative Services for distribution to the counties of this state;

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

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

45 (2)(a) Moneys distributed to cities and counties under this section shall be distributed to each

1 city or county using the proportions used for distributions made under ORS 323.455.

2 (b) Moneys shall be distributed to cities, counties and the [*Elderly and Disabled Special Trans-*
3 *portation Fund*] **Statewide Transportation Improvement Fund** at the same time moneys are dis-
4 tributed to cities, counties and the [*Elderly and Disabled Special Transportation Fund*] **Statewide**
5 **Transportation Improvement Fund** under ORS 323.455.

6 **SECTION 14.** ORS 184.675 is amended to read:

7 184.675. As used in ORS 184.670 to 184.733, unless the context requires otherwise:

8 (1) "Director" means Director of Transportation.

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

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

12 [(3)] (4) "Operating agreement" means an agreement for the operation or maintenance on behalf
13 of the Department of Transportation of all or part of a public transportation system, but does not
14 include agreements by which the department provides only financial or technical assistance or
15 transportation facilities or equipment and which do not control routes, rates or levels of service,
16 or agreements under which such control is exercised by the federal government through the de-
17 partment.

18 [(4)] (5) "Public transportation system" means any form of passenger transportation system,
19 whether or not for hire, including but not limited to air, rail, other fixed guideway, bus, jitney, taxi
20 and dial-a-ride passenger transportation systems within, between and outside of urban and urbanized
21 areas, and including related passenger terminal facilities and motor vehicle parking facilities.

22 [(5)] (6) "Person" means the United States or any state or any department or agency of any of
23 the above, or any nonprofit corporation or entity or any other individual, corporation or entity, ei-
24 ther public or private.

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

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

30 **SECTION 15.** ORS 293.701 is amended to read:

31 293.701. As used in ORS 293.701 to 293.857, unless the context requires otherwise:

32 (1) "Council" means the Oregon Investment Council.

33 (2) "Investment funds" means:

34 (a) Public Employees Retirement Fund referred to in ORS 238.660;

35 (b) Industrial Accident Fund referred to in ORS 656.632;

36 (c) Consumer and Business Services Fund referred to in ORS 705.145;

37 (d) Employment Department Special Administrative Fund referred to in ORS 657.822;

38 (e) Insurance Fund referred to in ORS 278.425;

39 (f) Funds under the control and administration of the Department of State Lands;

40 (g) Oregon Student Assistance Fund referred to in ORS 348.570;

41 (h) Moneys made available to the Commission for the Blind under ORS 346.270 and 346.569 or
42 rules adopted thereunder;

43 (i) Forest Development Revenue Bond Fund referred to in ORS 530.147 and State Forestry
44 General Obligation Bond Fund referred to in ORS 530.280;

45 (j) Oregon War Veterans' Fund referred to in ORS 407.495;

- 1 (k) Oregon War Veterans' Bond Sinking Account referred to in ORS 407.515;
- 2 (L) World War II Veterans' Compensation Fund;
- 3 (m) World War II Veterans' Bond Sinking Fund;
- 4 (n) Funds in the hands of the State Treasurer that are not required to meet current demands
- 5 and that are invested in the Oregon Short Term Fund established under ORS 293.728 or in another
- 6 commingled investment vehicle;
- 7 (o) State funds that are not subject to the control and administration of officers or bodies spe-
- 8 cifically designated by law;
- 9 (p) Funds derived from the sale of state bonds;
- 10 (q) Social Security Revolving Account referred to in ORS 237.490;
- 11 (r) Public University Fund established by ORS 352.450;
- 12 (s) Local Government Employer Benefit Trust Fund referred to in ORS 657.513;
- 13 [*t*] *Elderly and Disabled Special Transportation Fund established by ORS 391.800;*]
- 14 [*u*] (t) Education Stability Fund established by ORS 348.696;
- 15 [*v*] (u) Deferred Compensation Fund established under ORS 243.411;
- 16 [*w*] (v) Trust for Cultural Development Account established under ORS 359.405; and
- 17 [*x*] (w) The State Library Donation Fund and the Talking Book and Braille Library Endowment
- 18 Fund subaccount established under ORS 357.195.

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

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

23 293.701. As used in ORS 293.701 to 293.857, unless the context requires otherwise:

- 24 (1) "Council" means the Oregon Investment Council.
- 25 (2) "Investment funds" means:
 - 26 (a) Public Employees Retirement Fund referred to in ORS 238.660;
 - 27 (b) Industrial Accident Fund referred to in ORS 656.632;
 - 28 (c) Consumer and Business Services Fund referred to in ORS 705.145;
 - 29 (d) Employment Department Special Administrative Fund referred to in ORS 657.822;
 - 30 (e) Insurance Fund referred to in ORS 278.425;
 - 31 (f) Funds under the control and administration of the Department of State Lands;
 - 32 (g) Oregon Student Assistance Fund referred to in ORS 348.570;
 - 33 (h) Moneys made available to the Commission for the Blind under ORS 346.270 and 346.569 or
 - 34 rules adopted thereunder;
 - 35 (i) Forest Development Revenue Bond Fund referred to in ORS 530.147 and State Forestry
 - 36 General Obligation Bond Fund referred to in ORS 530.280;
 - 37 (j) Oregon War Veterans' Fund referred to in ORS 407.495;
 - 38 (k) Oregon War Veterans' Bond Sinking Account referred to in ORS 407.515;
 - 39 (L) World War II Veterans' Compensation Fund;
 - 40 (m) World War II Veterans' Bond Sinking Fund;
 - 41 (n) Funds in the hands of the State Treasurer that are not required to meet current demands
 - 42 and that are invested in the Oregon Short Term Fund established under ORS 293.728 or in another
 - 43 commingled investment vehicle;
 - 44 (o) State funds that are not subject to the control and administration of officers or bodies spe-
 - 45 cifically designated by law;

- 1 (p) Funds derived from the sale of state bonds;
- 2 (q) Social Security Revolving Account referred to in ORS 237.490;
- 3 (r) Public University Fund established by ORS 352.450;
- 4 (s) Local Government Employer Benefit Trust Fund referred to in ORS 657.513;
- 5 *[(t) Elderly and Disabled Special Transportation Fund established by ORS 391.800;]*
- 6 *[(u)]* (t) Education Stability Fund established by ORS 348.696;
- 7 *[(v)]* (u) Deferred Compensation Fund established under ORS 243.411;
- 8 *[(w)]* (v) Trust for Cultural Development Account established under ORS 359.405;
- 9 *[(x)]* (w) The State Library Donation Fund and the Talking Book and Braille Library Endowment
- 10 Fund subaccount established under ORS 357.195;
- 11 *[(y)]* (x) Funds in the Unclaimed Property Revolving Fund created in ORS 98.388; and
- 12 *[(z)]* (y) Funds in the Common School Fund that are available for investment.

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

15 **SECTION 17.** ORS 541.561 is amended to read:

16 541.561. (1) The Water Resources Department shall establish a grant program to pay the quali-
 17 fying costs of planning studies performed to evaluate the feasibility of developing a water conser-
 18 vation, reuse or storage project, as described in ORS 541.566. A grant under this section may be
 19 made to a local government as defined in ORS 174.116, *[to an Indian tribe as defined in ORS*
 20 *391.802]* **to a federally recognized Indian tribe in Oregon that has members residing on a**
 21 **reservation or tribal trust lands in Oregon** or to a person.

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

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

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

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

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

38 **SECTION 18.** ORS 541.659 is amended to read:

39 541.659. Loans and grants may be made from the Water Supply Development Account to persons
 40 as defined in ORS 536.007, *[Indian tribes as defined in ORS 391.802]* **to a federally recognized In-**
 41 **Indian tribe in Oregon that has members residing on a reservation or tribal trust lands in**
 42 **Oregon** and nonprofit organizations. If an applicant is required to have a water management and
 43 conservation plan, the plan must be submitted to the Water Resources Department and receive ap-
 44 proval prior to department acceptance of an application for a loan or grant from the account.

45

OPERATIVE DATE

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

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

12
13 **CAPTIONS**

14
15 **SECTION 20.** The unit captions used in this 2020 special session Act are provided only for
16 the convenience of the reader and do not become part of the statutory law of this state or
17 express any legislative intent in the enactment of this 2020 special session Act.

18
19 **EMERGENCY CLAUSE**

20
21 **SECTION 21.** This 2020 special session Act being necessary for the immediate preserva-
22 tion of the public peace, health and safety, an emergency is declared to exist, and this 2020
23 special session Act takes effect on its passage.
24
