

# D R A F T

## SUMMARY

Directs Department of Transportation to establish local transportation program to provide state funding in exchange for federal surface transportation funding available to cities and counties.

### A BILL FOR AN ACT

Relating to highways; creating new provisions; and amending ORS 367.095.

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

**SECTION 1. (1) The Department of Transportation shall establish a local transportation program to provide state funding, in exchange for federal surface transportation funding available to any city or county. Cities and counties must spend the moneys exchanged under this section solely for uses that are consistent with Article IX, section 3a, of the Oregon Constitution.**

**(2) The department shall establish the process of providing exchanges under this section.**

**(3) Any state funding provided under this section shall be provided:**

**(a) To the recipient through guidelines developed by the department.**

**(b) At a minimum exchange rate of \$0.94 in state funds in exchange for \$1 of federal funds.**

**(4) The department may adopt rules to carry out the provisions of this section.**

**SECTION 2. ORS 367.095, as amended by section 47, chapter 491, Oregon Laws 2019, and section 131, chapter 630, Oregon Laws 2021, is amended to**

1 read:

2 367.095. (1) The following amounts shall be distributed in the manner  
3 prescribed in this section:

4 (a) The amount attributable to the increase in tax rates by section 45,  
5 chapter 750, Oregon Laws 2017, and the amendments to ORS 319.020 and  
6 319.530 by sections 40 to 43, chapter 750, Oregon Laws 2017.

7 (b) The amount attributable to the vehicle registration and title fees im-  
8 posed under ORS 803.091 and 803.422.

9 (c) The amount attributable to the increase in taxes and fees by the  
10 amendments to ORS 803.420, 803.645, 818.225, 825.476, 825.480 and 826.023 by  
11 sections 34, 35, 48, 49, 51, 52, 63, 64, 66, 67 and 70, chapter 750, Oregon Laws  
12 2017.

13 (2) The amounts described in subsection (1) of this section shall be dis-  
14 tributed in the following order and for the following purposes:

15 (a)(A) \$30 million per year shall be used to pay for:

16 (i) The Interstate 5 Rose Quarter Project;

17 (ii) The Interstate 205 Improvements: Stafford Road to Oregon Route 213  
18 Project;

19 (iii) The Interstate 5 Boone Bridge and Seismic Improvement Project; and

20 (iv) The implementation of the toll program established under ORS  
21 383.150.

22 (B) The amount described in subparagraph (A) of this paragraph shall be  
23 used to pay for costs, including project costs on a current basis and paying  
24 for debt service on bonds issued to finance the projects or toll program, only  
25 until the later of the date on which the projects or toll program is completed  
26 or on which all bonds issued to fund the projects or toll program have been  
27 repaid. Any remaining moneys shall be distributed as described in subsection  
28 (3) of this section.

29 (b) \$15 million per year shall be deposited into the Safe Routes to Schools  
30 Fund for the purpose of providing Safe Routes to Schools matching grants  
31 under ORS 184.742. The remainder of the moneys shall be distributed as de-

1 scribed in subsection (3) of this section.

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

5 (a) 50 percent to the Department of Transportation.

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

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

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

11 (a) \$10 million for safety.

12 (b) Of the remaining balance:

13 (A) Forty percent for bridges.

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

16 (C) Twenty-four percent for [state] highway pavement preservation and  
17 culverts.

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

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