

Senate Bill 1542

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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**. The statement includes a measure digest written in compliance with applicable readability standards.

Digest: Directs OTC to create a 10-year CIP. The CIP must include a way to score and rank projects before they are added to the STIP. The Act tells ODOT to report on how the roads are faring. The OTC must add more information to its website. (Flesch Readability Score: 86.9).

Directs the Oregon Transportation Commission to create a 10-year capital investment plan. Provides that the plan must include a scoring methodology to prioritize and rank projects that are included in the Statewide Transportation Improvement Program. Specifies requirements for the scoring methodology.

Adds criteria to the list the commission must consider before adding a project to the Statewide Transportation Improvement Program.

Requires the Department of Transportation to produce a condition report on the highways. Specifies additional information the commission must include on its website.

A BILL FOR AN ACT

Relating to transportation; creating new provisions; and amending ORS 184.617, 184.621, 184.657, 184.659 and 184.661.

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

SECTION 1. ORS 184.617 is amended to read:

184.617. (1) The Oregon Transportation Commission shall:

(a) Establish the policies for the operation of the Department of Transportation in a manner consistent with the policies and purposes of ORS 184.610 to 184.665.

(b) Develop and maintain state transportation policies, including but not limited to policies related to the management, construction and maintenance of highways and other transportation systems in Oregon, including but not limited to aviation, ports and rail.

(c) Develop and maintain a comprehensive, 20-year long-range plan for a safe, multimodal transportation system for the state which encompasses economic efficiency, orderly economic development and environmental quality. The comprehensive, long-range plan:

(A) Must include, but not be limited to, aviation, highways, mass transit, ports, rails and waterways; and

(B) Must be used by all agencies and officers to guide and coordinate transportation activities and to ensure transportation planning utilizes the potential of all existing and developing modes of transportation.

(d) In coordination with the State Marine Board, the Oregon Business Development Department, the State Aviation Board, cities, counties, mass transit districts organized under ORS 267.010 to 267.394 and transportation districts organized under ORS 267.510 to 267.650, develop plans for each mode of transportation and multimodal plans for the movement of people and freight. Subject to paragraph (c) of this subsection, the plans must include a list of projects needed to maintain and

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 develop the transportation infrastructure of this state for at least 20 years in the future.

2 (e) For the plans developed under paragraph (d) of this subsection, include a list of projects for
3 at least 20 years into the future that are capable of being accomplished using the resources rea-
4 sonably expected to be available. As the plans are developed by the commission, the Director of
5 Transportation shall prepare and submit implementation programs to the commission for approval.
6 Work approved by the commission to carry out the plans shall be assigned to the appropriate unit
7 of the Department of Transportation or other appropriate public body, as defined in ORS 174.109.

8 (f) Initiate studies, as it deems necessary, to guide the director concerning the transportation
9 needs of Oregon.

10 (g) Prescribe the administrative practices followed by the director in the performance of any
11 duty imposed on the director by law.

12 (h) Seek to enter into intergovernmental agreements with local governments and local service
13 districts, as those terms are defined in ORS 174.116, to encourage cooperation between the depart-
14 ment and local governments and local service districts to maximize the efficiency of transportation
15 systems in Oregon.

16 (i) Review and approve the department's:

17 (A) Proposed transportation projects, as described in the Statewide Transportation Improvement
18 Program, and any significant transportation project modifications, as determined by the commission;

19 (B) Proposed budget form prior to the department submitting the form to the Oregon Department
20 of Administrative Services under ORS 291.208;

21 (C) Anticipated capital construction requirements;

22 (D) Construction priorities; and

23 (E) Selection, vacation or abandonment of state highways.

24 (j) Adopt a statewide transportation strategy on greenhouse gas emissions to aid in achieving
25 the greenhouse gas emissions reduction goals set forth in ORS 468A.205. The commission shall focus
26 on reducing greenhouse gas emissions resulting from transportation. In developing the strategy, the
27 commission shall consider state and federal programs, policies and incentives related to reducing
28 greenhouse gas emissions. The commission shall consult and cooperate with metropolitan planning
29 organizations, other state agencies, local governments and stakeholders and shall actively solicit
30 public review and comment in the development of the strategy.

31 (k) Perform any other duty vested in it by law.

32 **(L) Develop and maintain a comprehensive, 10-year capital investment plan as described**
33 **in section 3 of this 2026 Act. The plan must include a scoring methodology to rank projects**
34 **that are included in the Statewide Transportation Improvement Program.**

35 (2) The commission has general power to take any action necessary to coordinate and administer
36 programs relating to highways, motor carriers, motor vehicles, public transit, rail, transportation
37 safety and such other programs related to transportation.

38 (3) The commission may require the director to furnish whatever reports, statistics, information
39 or assistance the commission may request in order to study the department or transportation-related
40 issues.

41 **SECTION 2.** ORS 184.621 is amended to read:

42 184.621. The Oregon Transportation Commission shall work with stakeholders to review and
43 update the criteria used to select projects within the Statewide Transportation Improvement Pro-
44 gram. When revising the project selection criteria the commission shall consider whether the
45 project:

1 *[(1) Improves the state highway system or major access routes to the state highway system on the*
 2 *local road system to relieve congestion by expanding capacity, enhancing operations or otherwise im-*
 3 *proving travel times within high-congestion corridors.]*

4 **(1) Improves the state highway system or major access routes to the state highway sys-**
 5 **tem on the local road system to improve travel time reliability and the efficient movement**
 6 **of people and goods in high-congestion corridors, primarily through operational improve-**
 7 **ments, demand management, multimodal options and, where necessary, strategic capacity**
 8 **additions.**

9 *[(2) Enhances the safety of the traveling public by decreasing traffic crash rates, promoting the ef-*
 10 *ficient movement of people and goods and preserving the public investment in the transportation*
 11 *system.]*

12 **(2) Enhances the safety of all users of the transportation system by decreasing fatalities**
 13 **and serious injuries and preserving the public investment in the transportation system.**

14 (3) Supports improvements necessary for Oregon's economic growth and competitiveness, acces-
 15 sibility to industries and economic development.

16 (4) Provides the greatest benefit in relation to project costs as analyzed under ORS 184.659.

17 (5) Fosters livable communities by demonstrating that the investment does not undermine
 18 sustainable urban development.

19 (6) Enhances the value of transportation projects through designs and development that reflect
 20 environmental stewardship and community sensitivity.

21 (7) Is consistent with the state's greenhouse gas emissions reduction goals and reduces Oregon's
 22 dependence on foreign oil.

23 (8) To the extent practicable, ensures that the state's transportation infrastructure is resilient
 24 in the event of a natural disaster.

25 (9) Is located near operations conducted for mining aggregate or processing aggregate as de-
 26 scribed in ORS 215.213 (2)(d) or 215.283 (2)(b).

27 **(10) Preserves and extends the life and utility of prior investments in the highway sys-**
 28 **tem.**

29 **(11) Reduces transportation barriers that significantly impact the daily lives and inde-**
 30 **pendence of vulnerable populations, including populations of individuals who are elderly, have**
 31 **a disability or are economically disadvantaged.**

32 **(12) Limits impacts to agricultural lands and forest lands by ensuring that projects are**
 33 **planned and selected in a manner consistent with the statewide land use planning goals**
 34 **adopted by the Land Conservation and Development Commission pursuant to ORS 197.225.**

35 **SECTION 3. (1) For purposes of this section:**

36 **(a) Region one consists of Clackamas, Hood River, Multnomah and Washington Counties.**

37 **(b) Region two consists of Benton, Clatsop, Columbia, Lane, Lincoln, Linn, Marion, Polk,**
 38 **Tillamook and Yamhill Counties.**

39 **(c) Region three consists of Coos, Curry, Douglas, Jackson and Josephine Counties.**

40 **(d) Region four consists of Crook, Deschutes, Gilliam, Jefferson, Klamath, Lake,**
 41 **Sherman, Wasco and Wheeler Counties.**

42 **(e) Region five consists of Baker, Grant, Harney, Malheur, Morrow, Umatilla, Union and**
 43 **Wallowa Counties.**

44 **(2) The Oregon Transportation Commission shall develop a 10-year capital investment**
 45 **plan. The plan must:**

1 (a) Include target goals consistent with ORS 184.621, including, at a minimum, goals
2 concerning state of good repair, safety, mobility, accessibility, sustainability, climate and
3 consideration of providing equitable access to the transportation system;

4 (b) Identify anticipated revenues and other resources reasonably expected to be available
5 during the 10-year period the plan covers and describe the assumptions used;

6 (c) Describe the planned distribution of anticipated resources among the target goals
7 identified in paragraph (a) of this subsection; and

8 (d) Include the project scoring methodology, weights and decision matrix adopted under
9 this section.

10 (3) For the purpose of prioritizing projects selected for inclusion in the Statewide
11 Transportation Improvement Program under ORS 184.621, as part of the capital investment
12 plan the commission shall devise and adopt rule for a scoring methodology to rank projects
13 in order of priority within each region. The commission shall include in the rules:

14 (a) A general prohibition on prioritizing projects that expand highway capacity by adding
15 lane miles to the state highway system in a region ahead of preservation and safety projects
16 for the state highway system in that region when state-owned pavements or bridges in that
17 region are below the state of good repair level for the condition targets adopted under ORS
18 184.657;

19 (b) The bases upon which exceptions to the general prohibition required by paragraph (a)
20 of this subsection are authorized;

21 (c) Weights for each of the factors listed in ORS 184.621 that reflect the target goals
22 adopted by the commission as part of the capital investment plan, including goals concerning
23 state of good repair, safety, mobility, accessibility, sustainability, climate and consideration
24 of providing equitable access to the transportation system;

25 (d) A process for modifying the weights based on the target goals, unique needs and
26 qualities of each region, in consultation with the regions and, where applicable, metropolitan
27 planning organizations;

28 (e) A requirement to assign the highest weight for safety projects and preservation
29 projects;

30 (f) A process for reevaluating the level of priority for a project when the cost of a project
31 reaches or exceeds \$15 million;

32 (g) A process for assessing the project's consistency with the statewide transportation
33 strategy on greenhouse gas emissions adopted under ORS 184.617 (1)(j) and the greenhouse
34 gas emissions reduction goals set forth in ORS 468A.205, including projected changes in
35 greenhouse gas emissions and vehicle miles traveled relative to a no-build alternative; and

36 (h) A requirement that highway capacity expansion projects be evaluated for their impact
37 on safety and on greenhouse gas emissions and vehicle miles traveled. A capacity expansion
38 project may not be prioritized for funding unless the Department of Transportation demon-
39 strates that the capacity expansion project, as compared to a no-build alternative:

40 (A) Does not increase projected fatalities or serious injuries for all users of the trans-
41 portation system and does not increase projected net greenhouse gas emissions or projected
42 vehicle miles traveled; or

43 (B) Does not increase greenhouse gas emissions or vehicle miles traveled on a net basis
44 even if the evaluation required by this paragraph identifies a projected increase in
45 greenhouse gas emissions or vehicle miles traveled relative to a no-build alternative, as long

as the department includes mitigation measures that are supported by the cost-benefit analysis conducted under ORS 184.659 and are implemented no later than the date on which the facility is first open to the general public.

(4) The commission shall work with stakeholders, including local area commissions, to review and update the criteria used to score and rank projects.

(5)(a) Based on the rules adopted under subsection (3) of this section, the Oregon Transportation Commission shall develop a decision matrix and create a priority list of projects in each region.

(b) The decision matrix and all data inputs, modeling assumptions and methodologies used to calculate project scores must be publicly available on the website described in ORS 184.661 at least 30 days before the date the commission includes the project in the Statewide Transportation Improvement Program.

(6) If the priorities for a region remain below target goals devised by the commission for two consecutive Statewide Transportation Improvement Program cycles, the commission shall, in consultation with the regions and metropolitan planning organizations, review and adjust as necessary the project scoring weights and the distribution of capital funding among target goals in the next Statewide Transportation Improvement Program cycle to better align investments with achieving those target goals and shall describe any adjustments and the reasons for them in a report posted on the website described in ORS 184.661.

(7) At a minimum, each region's priority list must be reevaluated:

(a) Each time the Statewide Transportation Improvement Program is updated and new projects are added to or removed from the program; and

(b) When an increase in the costs of a project currently included in the program causes the project to reach or exceed a cost of \$15 million.

(8) This section does not apply to:

(a) Emergency work procured under ORS 279B.080 when an emergency exists as defined in ORS 279A.010; or

(b) Repairs undertaken under ORS 366.445.

SECTION 4. ORS 184.657 is amended to read:

184.657. (1) The Oregon Transportation Commission shall develop a set of uniform standards, in coordination with counties and cities, for the consistent description and reporting of the condition of the transportation infrastructure owned by the state, counties and cities. The infrastructure described must include pavement and bridges.

(2) By February 1 of each odd-numbered year, the Department of Transportation and every city and county shall submit a report covering the condition of its transportation infrastructure.

(3) The commission shall periodically review the condition of the transportation infrastructure owned by the state and the reports submitted under this section. The commission shall post the reports and the commission's review of the reports on the website described in ORS 184.661.

(4) The commission shall by rule define "state of good repair" for pavement and bridges consistent with federal performance measures and the department's transportation asset management plan and shall adopt statewide condition targets for pavement and bridges based on the commission's definition of "state of good repair."

[(4)] (5) Notwithstanding ORS 366.762 to 366.768 or 366.785 to 366.820, any city or county failing to file a report under this section may not receive any payments from the State Highway Fund until the report is filed.

1 [(5)] (6) Not later than June 1 of each odd-numbered year, the commission shall submit a report
 2 about the state of the transportation infrastructure of Oregon, including the transportation
 3 infrastructure of cities and counties, to:

4 (a) The Legislative Assembly in the manner provided by ORS 192.245; and

5 (b) The Joint Committee on Transportation established under ORS 171.858.

6 **SECTION 5.** ORS 184.661 is amended to read:

7 184.661. (1) The Oregon Transportation Commission, through the Department of Transportation,
 8 shall develop a website.

9 (2) The website must include:

10 (a) A list of all transportation projects in the Statewide Transportation Improvement Program
 11 and for each project the website must include:

12 (A) A description of the project and the project benefits;

13 (B) The estimated cost and estimated completion date;

14 **(C) The project's rank on the priority list developed under section 3 of this 2026 Act, the**
 15 **project's overall score and the project's score for each factor used in the scoring methodol-**
 16 **ogy;**

17 [(C)] **(D)** Updated information about the projects as they proceed, including the actual amount
 18 spent to date on the project; and

19 [(D)] **(E)** After a project is completed, updated information, including the amount a project is
 20 under or over the original estimated cost and whether a project was completed by the original es-
 21 timated completion date.

22 (b) Information on the reports required under ORS 366.774 and 366.790 for all cities with a
 23 population of 5,000 or greater and all counties in the state, including the amount of transportation
 24 funds collected by each county and city and the source of the funds and the amount of money spent
 25 on transportation projects by type of expenditure as listed in ORS 366.774 (2) and 366.790 (2). This
 26 information shall be displayed for the most current six-year period.

27 (c) Information on the condition of Oregon's transportation infrastructure, as required under
 28 ORS 184.657.

29 (d) Information about the results the audits performed pursuant to ORS 184.639.

30 (e) Links to all available county and city transportation project websites.

31 (f) Links to websites about transportation projects receiving moneys from the Connect Oregon
 32 Fund.

33 **(g) Information about the decision matrix developed under section 3 of this 2026 Act and**
 34 **any changes to the target goals for each region.**

35 **(h) The analysis completed by the commission after it approves a project for which the**
 36 **cost-benefit analysis under ORS 184.659 shows that expected costs exceed expected benefits.**

37 **(i) Information about the capital investment plan, including all required components as**
 38 **described in section 3 of this 2026 Act and a narrative summary of:**

39 **(A) Progress made toward the target goals adopted in the capital investment plan, in-**
 40 **cluding goals concerning state of good repair, safety, mobility, accessibility, sustainability,**
 41 **climate and providing equitable access to the transportation system;**

42 **(B) A comparison of planned versus actual project costs, schedules and scope for projects**
 43 **included in the Statewide Transportation Improvement Program;**

44 **(C) An evaluation of whether projects included in the Statewide Transportation Im-**
 45 **provement Program overall are achieving the outcomes reflected in the project scoring and**

1 **prioritization adopted under section 3 of this 2026 Act;**

2 **(D) Identification of material deviations from the capital investment plan, project priority**
 3 **lists, or target goals, and an explanation of the reasons for those deviations; and**

4 **(E) Any recommended changes to policies, target goals, scoring weights or investment**
 5 **strategies to improve performance in future programming cycles.**

6 **SECTION 6.** ORS 184.659 is amended to read:

7 184.659. (1) As used in this section, "transportation project" means a project:

8 (a) That is a highway modernization transportation project or capacity building transportation
 9 project proposed for construction in the Statewide Transportation Improvement Program; and

10 (b) That is estimated to cost at least \$15 million.

11 (2) As a part of the project scoping phase, the Department of Transportation shall prepare a
 12 written analysis of the costs and benefits of a transportation project. The analysis must state:

13 (a) The scope of the project;

14 (b) The period of analysis;

15 (c) The discount rate used in the analysis;

16 (d) The estimated costs to the department to undertake the project, including any costs for de-
 17 sign, purchasing highway right-of-way and construction;

18 (e) The future costs to the department to preserve and maintain the project, discounted to
 19 present value;

20 (f) Any other costs to the department;

21 (g) The costs to highway users that are associated with the project, including loss of safety,
 22 delays in the time of travel and additional expenses for operating vehicles;

23 (h) The costs of any environmental impacts, including vehicle emissions and noise **over the life**
 24 **of the project; [and]**

25 **(i) The opportunity costs of undertaking the project; and**

26 **[(i)] (j) The value of the benefits of the project, including the value of any:**

27 **(A) Savings in the time of travel, including immediately after the date of project completion**
 28 **and long-term savings in the time of travel 10 and 30 years after the date of project com-**
 29 **pletion;**

30 **(B) Improvements to safety;**

31 **(C) Savings in the cost of operating vehicles; and**

32 **(D) Other social, economic or environmental benefits of the project.**

33 (3) The analysis required by this section:

34 (a) Must include a discussion of increases in costs that would result from delays in the per-
 35 formance of routine maintenance scheduled by the department;

36 (b) May include a discussion of:

37 (A) The costs of the project for any other persons and governmental agencies; and

38 (B) Any costs or benefits which may result from the use of alternative design, construction or
 39 financing practices; and

40 (c) Must be prepared in a format that allows for the comparison of proposed transportation
 41 projects.

42 (4) The analysis required by this section must be made available to the [commission] **Oregon**
 43 **Transportation Commission and made publicly available on the website described in ORS**
 44 **184.661 [the public]** when the agenda is posted for the meeting at which the proposal will be sub-
 45 mitted to the commission for its approval.

(5) This section does not apply to transportation projects listed in ORS 367.095 or **383.150** or section 71d or 71f, chapter 750, Oregon Laws 2017.

(6) When approving a transportation project, the commission shall consider the results of the analysis and make a finding as to whether the project's expected benefits equal or exceed its expected costs. If the commission approves a project for which the analysis shows that expected costs exceed expected benefits, the commission shall adopt a written explanation of the reasons for proceeding and publish the explanation on its website under ORS 184.661.

(7) Notwithstanding any other provision of law:

(a) The commission may not approve or include in the Statewide Transportation Improvement Program a transportation project unless the commission has completed and made publicly available the cost-benefit analysis described in subsection (2) of this section at least 30 days before the meeting at which the commission approves or includes the project in the Statewide Transportation Improvement Program.

(b) If a transportation project is approved in violation of paragraph (a) of this subsection, the department may not obligate state moneys, or proceed to final design, right of way acquisition or construction, for the project until the commission complies with this section.

SECTION 7. (1) Section 3 of this 2026 Act and amendments to ORS 184.621, 184.657 and 184.661 by sections 2, 4 and 5 of this 2026 Act apply to projects included in the Statewide Transportation Improvement Program on or after the effective date of this 2026 Act.

(2) A project included in an adopted Statewide Transportation Improvement Program before the effective date of this 2026 Act is subject to the requirements in section 3 of this 2026 Act only if, after the effective date of this 2026 Act, the commission approves an increase in the project's estimated costs that causes the project to reach or exceed a cost of \$15 million.