

SB 1542-2
(LC 268)
2/6/26 (HE/ps)

Requested by Senator GORSEK

**PROPOSED AMENDMENTS TO
SENATE BILL 1542**

1 On page 1 of the printed bill, line 2, after “provisions;” delete the rest
2 of the line and delete line 3 and insert “amending ORS 184.617, 184.659 and
3 184.661; and prescribing an effective date.”.

4 Delete lines 5 through 24 and delete pages 2 through 8 and insert:

5 **“SECTION 1.** ORS 184.617 is amended to read:

6 “184.617. (1) The Oregon Transportation Commission shall:

7 “(a) Establish the policies for the operation of the Department of Trans-
8 portation in a manner consistent with the policies and purposes of ORS
9 184.610 to 184.665.

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

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

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

20 “(B) Must be used by all agencies and officers to guide and coordinate
21 transportation activities and to ensure transportation planning utilizes the

1 potential of all existing and developing modes of transportation.

2 “(d) In coordination with the State Marine Board, the Oregon Business
3 Development Department, the State Aviation Board, cities, counties, mass
4 transit districts organized under ORS 267.010 to 267.394 and transportation
5 districts organized under ORS 267.510 to 267.650, develop plans for each mode
6 of transportation and multimodal plans for the movement of people and
7 freight. Subject to paragraph (c) of this subsection, the plans must include
8 a list of projects needed to maintain and develop the transportation
9 infrastructure of this state for at least 20 years in the future.

10 “(e) For the plans developed under paragraph (d) of this subsection, in-
11 clude a list of projects for at least 20 years into the future that are capable
12 of being accomplished using the resources reasonably expected to be avail-
13 able. As the plans are developed by the commission, the Director of Trans-
14 portation shall prepare and submit implementation programs to the
15 commission for approval. Work approved by the commission to carry out the
16 plans shall be assigned to the appropriate unit of the Department of Trans-
17 portation or other appropriate public body, as defined in ORS 174.109.

18 “(f) Initiate studies, as it deems necessary, to guide the director concern-
19 ing the transportation needs of Oregon.

20 “(g) Prescribe the administrative practices followed by the director in the
21 performance of any duty imposed on the director by law.

22 “(h) Seek to enter into intergovernmental agreements with local govern-
23 ments and local service districts, as those terms are defined in ORS 174.116,
24 to encourage cooperation between the department and local governments and
25 local service districts to maximize the efficiency of transportation systems
26 in Oregon.

27 “(i) Review and approve the department's:

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

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

3 “(C) Anticipated capital construction requirements;

4 “(D) Construction priorities; and

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

6 “(j) Adopt a statewide transportation strategy on greenhouse gas emis-
7 sions to aid in achieving the greenhouse gas emissions reduction goals set
8 forth in ORS 468A.205. The commission shall focus on reducing greenhouse
9 gas emissions resulting from transportation. In developing the strategy, the
10 commission shall consider state and federal programs, policies and incentives
11 related to reducing greenhouse gas emissions. The commission shall consult
12 and cooperate with metropolitan planning organizations, other state agen-
13 cies, local governments and stakeholders and shall actively solicit public
14 review and comment in the development of the strategy.

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

16 **“(L) Develop and maintain a capital investment plan as described
17 in section 2 of this 2026 Act that covers a rolling 10-year period.**

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

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

25 **“SECTION 2. (1) As used in this section:**

26 **“(a) ‘Emergency’ and ‘urgent repair’ shall be defined by the Oregon
27 Transportation Commission by rule.**

28 **“(b) ‘Highway’ and ‘State highway’ have the meaning given those
29 terms in ORS 366.005.**

30 **“(2) The Oregon Transportation Commission shall develop by rule**

1 a capital investment plan to guide the commission's decision-making
2 in determining what projects to include in the Statewide Transporta-
3 tion Improvement Program and the prioritization of projects that are
4 included in the Statewide Transportation Improvement Program. The
5 plan must:

6 "(a) Include target goals consistent with conditions listed in ORS
7 184.621 and add a goal of improving all state highway pavement con-
8 ditions to a state of good repair;

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

12 "(c) Include a project scoring methodology.

13 "(3) For the purpose of prioritizing projects selected for inclusion
14 in the Statewide Transportation Improvement Program under ORS
15 184.621, the commission shall develop a scoring methodology to rank
16 projects in order of priority as part of the capital investment plan.

17 When creating and updating the scoring methodology the commission:

18 "(a) Shall assign weights for each of the considerations listed in
19 ORS 184.621 and the target goals described in subsection (2)(a) of this
20 section;

21 "(b) Shall, in consultation with the local area commissions on
22 transportation and, where applicable, metropolitan planning organiza-
23 tions, create a process for modifying the weights based on the target
24 goals and unique needs of each region of the Department of Trans-
25 portation;

26 "(c) Shall assign the highest weight for safety projects and preser-
27 vation projects;

28 "(d) May consider cost-savings achieved through project bundling;

29 "(e) May consider costs and risks unique to the size and complexity
30 of a project when ranking the project against others in the same re-

1 gion of the department; and

2 “(f) Shall include performance-based specifications that prioritize
3 projects that improve highway pavement conditions to a state of good
4 repair while maintaining progress toward the target goals described in
5 subsection (2)(a) of this section.

6 “(4) Before a project may be scored and ranked using the scoring
7 methodology developed under this section, the commission must have
8 the following information:

9 “(a) The cost-benefit analysis as required under ORS 184.659; and

10 “(b) Any information necessary to make a decision from the de-
11 partment or local area commission on transportation that is request-
12 ing the project, including:

13 “(A) The identified transportation problem and expected benefits;

14 “(B) Project readiness and delivery risks;

15 “(C) The relevant safety and preservation needs;

16 “(D) Whether the project is consistent with applicable regional and
17 local plans; and

18 “(E) regional transportation needs and priorities.

19 “(5) The commission shall make the information used to calculate
20 project scores publicly available, on its website described in ORS
21 184.661, at least 30 days before the date the commission includes a
22 project in the Statewide Transportation Improvement Program. At a
23 minimum, the information published under this subsection must in-
24 clude:

25 “(a) Information about the scoring methodology and weights;

26 “(b) Key assumptions made and source information used to develop
27 the scoring methodology; and

28 “(c) A plain-language narrative summary written for the general
29 public describing the expected outcomes of the proposed capital im-
30 provement plan and the basis for the project rankings.

1 “(6) Except as provided in subsection (7) of this section, every
2 project included in the Statewide Transportation Improvement Pro-
3 gram must be evaluated and scored in accordance with this section,
4 unless the commission determines there is an emergency or urgent
5 repair needed.

6 “(7) This section does not apply to:

7 “(a) Projects required by federal law or court order to be under-
8 taken;

9 “(b) Emergency work procured under ORS 279B.080 when an emer-
10 gency exists, as defined in ORS 279A.010; and

11 “(c) Repairs undertaken under ORS 366.445 after a highway has been
12 damaged by slides, flood or other catastrophe.

13 “(8) The commission shall update the plan in the same year that the
14 Statewide Transportation Improvement Program is updated, but no
15 less than every four years.

16 “(9) The Department of Transportation shall prepare and publish
17 on its website an annual report. The report must include information
18 evaluating the projects in each region of the department for achieving
19 progress toward the goals described in the capital investment plan and
20 the Statewide Transportation Improvement Program.

21 “(10) The commission may not approve an update to the capital in-
22 vestment plan or authorize projects to for inclusion in the Statewide
23 Transportation Improvement Program unless the annual report re-
24 quired under subsection (9) of this section for the most recent report-
25 ing period has been published. This subsection does not apply to
26 commission actions necessary to address emergencies or urgent re-
27 pairs, as defined by the commission.

28 “(11) If the annual report required under subsection (9) of this sec-
29 tion identifies that one or more target goals described in subsection
30 (2)(a) of this section are not being met, the commission shall, as part

1 of the next update to the plan required under subsection (8) of this
2 section, identify corrective actions and adopt adjustments to the
3 scoring methodology, weights or project selection approach and pub-
4 lish an explanation of the corrective actions that will be taken to
5 achieve the unmet goals. Adjustments must be reported and described
6 as a part of subsection (5) of this section.

7 “(12) The commission may adopt rules necessary to implement this
8 section.

9 “**SECTION 3.** Section 2 of this 2026 Act is amended to read:

10 “**Sec. 2.** (1) As used in this section:

11 “(a) ‘Emergency’ and ‘urgent repair’ shall be defined by the Oregon
12 Transportation Commission by rule.

13 “(b) ‘Highway’ and ‘State highway’ have the meaning given those terms
14 in ORS 366.005.

15 “(2) The Oregon Transportation Commission shall develop by rule a cap-
16 ital investment plan to guide the commission’s decision-making in determin-
17 ing what projects to include in the Statewide Transportation Improvement
18 Program and the prioritization of projects that are included in the Statewide
19 Transportation Improvement Program. The plan must:

20 “(a) Include target goals consistent with conditions listed in ORS 184.621
21 and add a goal of improving all state highway pavement conditions to a state
22 of good repair;

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

26 “(c) Describe the planned distribution of anticipated resources the target
27 goals identified in paragraph (a) of this subsection; and

28 “(d) Include a project scoring methodology.

29 “(3) For the purpose of prioritizing projects selected for inclusion in the
30 Statewide Transportation Improvement Program under ORS 184.621, the

1 commission shall develop a scoring methodology to rank projects in order
2 of priority as part of the capital investment plan. When creating and updat-
3 ing the scoring methodology the commission:

4 “(a) Shall assign weights for each of the considerations listed in ORS
5 184.621 and the target goals described in subsection (2)(a) of this section;

6 “(b) Shall, in consultation with the local area commissions on transpor-
7 tation and, where applicable, metropolitan planning organizations, create a
8 process for modifying the weights based on the target goals and unique needs
9 of each region of the Department of Transportation;

10 [“(c) *Shall assign the highest weight for safety projects and preservation*
11 *projects;*”]

12 “[*(d)*] (c) May consider cost-savings achieved through project bundling;

13 “[*(e)*] (d) May consider costs and risks unique to the size and complexity
14 of a project when ranking the project against others in the same region of
15 the department; and

16 “[*(f)*] (e) Shall include performance-based specifications that prioritize
17 projects that improve highway pavement conditions to a state of good repair
18 while maintaining progress toward the target goals described in subsection
19 (2)(a) of this section.

20 “(4) Before a project may be scored and ranked using the scoring meth-
21 odology developed under this section, the commission must have the follow-
22 ing information:

23 “(a) The cost-benefit analysis as required under ORS 184.659; and

24 “(b) Any information necessary to make a decision from the department
25 or local area commission on transportation that is requesting the project,
26 including:

27 “(A) The identified transportation problem and expected benefits;

28 “(B) Project readiness and delivery risks;

29 “(C) The relevant safety and preservation needs;

30 “(D) Whether the project is consistent with applicable regional and local

1 plans; and

2 “(E) regional transportation needs and priorities.

3 “(5) The commission shall make the information used to calculate project
4 scores publicly available, on its website described in ORS 184.661, at least
5 30 days before the date the commission includes a project in the Statewide
6 Transportation Improvement Program. At a minimum, the information pub-
7 lished under this subsection must include:

8 “(a) Information about the scoring methodology and weights;

9 “(b) Key assumptions made and source information used to develop the
10 scoring methodology; and

11 “(c) A plain-language narrative summary written for the general public
12 describing the expected outcomes of the proposed capital improvement plan
13 and the basis for the project rankings.

14 “(6) Except as provided in subsection (7) of this section, every project
15 included in the Statewide Transportation Improvement Program must be
16 evaluated and scored in accordance with this section, unless the commission
17 determines there is an emergency or urgent repair needed.

18 “(7) This section does not apply to:

19 “(a) Projects required by federal law or court order to be undertaken;

20 “(b) Emergency work procured under ORS 279B.080 when an emergency
21 exists, as defined in ORS 279A.010; and

22 “(c) Repairs undertaken under ORS 366.445 after a highway has been
23 damaged by slides, flood or other catastrophe.

24 “(8) The commission shall update the plan in the same year that the
25 Statewide Transportation Improvement Program is updated, but no less than
26 every four years.

27 “(9) The Department of Transportation shall prepare and publish on its
28 website an annual report. The report must include information evaluating
29 the projects in each region of the department for achieving progress toward
30 the goals described in the capital investment plan and the Statewide Trans-

1 portation Improvement Program.

2 “(10) The commission may not approve an update to the capital invest-
3 ment plan or authorize projects to for inclusion in the Statewide Transpor-
4 tation Improvement Program unless the annual report required under
5 subsection (9) of this section for the most recent reporting period has been
6 published. This subsection does not apply to commission actions necessary
7 to address emergencies or urgent repairs, as defined by the commission.

8 “(11) If the annual report required under subsection (9) of this section
9 identifies that one or more target goals described in subsection (2)(a) of this
10 section are not being met, the commission shall, as part of the next update
11 to the plan required under subsection (8) of this section, identify corrective
12 actions and adopt adjustments to the scoring methodology, weights or project
13 selection approach and publish an explanation of the corrective actions that
14 will be taken to achieve the unmet goals. Adjustments must be reported and
15 described as a part of subsection (5) of this section.

16 “(12) The commission may adopt rules necessary to implement this sec-
17 tion.

18 **“SECTION 4.** ORS 184.661 is amended to read:

19 “184.661. (1) The Oregon Transportation Commission, through the De-
20 partment of Transportation, shall develop a website.

21 “(2) The website must include:

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

24 “(A) A description of the project and the project benefits;

25 “(B) The estimated cost and estimated completion date;

26 “(C) Updated information about the projects as they proceed, including
27 the actual amount spent to date on the project; and

28 “(D) After a project is completed, updated information, including the
29 amount a project is under or over the original estimated cost and whether
30 a project was completed by the original estimated completion date.

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

8 “(c) Information on the condition of Oregon’s transportation
9 infrastructure, as required under ORS 184.657.

10 “(d) Information about the results the audits performed pursuant to ORS
11 184.639.

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

13 “(f) Links to websites about transportation projects receiving moneys
14 from the Connect Oregon Fund.

15 **“(g) Information about the capital investment plan and the
16 department’s evaluation report required under section 2 of this 2026
17 Act.**

18 **“SECTION 5.** ORS 184.659, as amended by section 56, chapter 1, Oregon
19 Laws 2025 (special session), is amended to read:

20 “184.659. (1) As used in this section, ‘transportation project’ means a
21 project:

22 “(a) That is a highway modernization transportation project or capacity
23 building transportation project proposed for construction in the Statewide
24 Transportation Improvement Program; and

25 “(b) That is estimated to cost at least [\$15] **\$50** million.

26 “(2) As a part of the project scoping phase, the Department of Transpor-
27 tation shall prepare a written analysis of the costs and benefits of a trans-
28 portation project. The analysis must state:

29 “(a) The scope of the project;

30 “(b) The period of analysis;

1 “(c) The discount rate used in the analysis;

2 “(d) The estimated costs to the department to undertake the project, in-
3 cluding any costs for design, purchasing highway right-of-way and con-
4 struction;

5 “(e) The future costs to the department to preserve and maintain the
6 project, discounted to present value;

7 “(f) Any other costs to the department;

8 “(g) The costs to highway users that are associated with the project, in-
9 cluding loss of safety, delays in the time of travel and additional expenses
10 for operating vehicles;

11 “(h) The costs of any environmental impacts, including vehicle emissions
12 and noise; and

13 “(i) The value of the benefits of the project, including the value of any:

14 “(A) Savings in the time of travel;

15 “(B) Improvements to safety;

16 “(C) Savings in the cost of operating vehicles; and

17 “(D) Other social, economic or environmental benefits of the project.

18 “(3) The analysis required by this section:

19 “(a) Must include a discussion of increases in costs that would result from
20 delays in the performance of routine maintenance scheduled by the depart-
21 ment;

22 “(b) May include a discussion of:

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

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

27 “(c) Must be prepared in a format that allows for the comparison of pro-
28 posed transportation projects.

29 “(4) The analysis required by this section must be made available to the
30 commission and the public when the agenda is posted for the meeting at

1 which the proposal will be submitted to the commission for its approval.

2 “(5) This section does not apply to transportation projects listed in ORS

3 367.095 or section 71d or 71f, chapter 750, Oregon Laws 2017.

4 **“SECTION 6. (1) For purposes of adopting rules related to the cap-**

5 **ital investment plan described under section 2 of this 2026 Act, the**

6 **Oregon Transportation Commission shall convene a capital investment**

7 **plan advisory committee to advise the commission and the Depart-**

8 **ment of Transportation on the development and implementation of the**

9 **capital investment plan.**

10 **“(2) The advisory committee convened under this section shall**

11 **consist of, at a minimum, representatives of the following:**

12 **“(a) An environmental justice organization;**

13 **“(b) A city government;**

14 **“(c) A county government;**

15 **“(d) A transit provider;**

16 **“(e) An active transportation organization;**

17 **“(f) A tribal government;**

18 **“(g) Individuals with disabilities;**

19 **“(h) An organization that advocates for transit riders;**

20 **“(i) The trucking industry;**

21 **“(j) Business and economic development;**

22 **“(k) Ports;**

23 **“(L) Railroads;**

24 **“(m) Contractors, engineers or highway construction project man-**

25 **agers;**

26 **“(n) A climate or environmental advocacy organization;**

27 **“(o) An expert in land use regulation;**

28 **“(p) An organization representing motorists or road users;**

29 **“(q) Labor unions; and**

30 **“(r) Any additional members as necessary to ensure geographic di-**

1 **versity, including representation from rural areas, and to ensure bal-
2 anced expertise in project delivery and transportation system
3 management.**

4 **“(3) The committee shall assist the commission in developing and
5 updating the capital investment plan required by ORS 184.617, includ-
6 ing any rules, guidance and methodologies used to score, rank and
7 prioritize projects.**

8 **“SECTION 7. Section 6 of this 2026 Act is repealed on January 2,
9 2032.**

10 **“SECTION 8. Section 3 of this 2026 Act becomes operative on Jan-
11 uary 1, 2032.**

12 **“SECTION 9. (1) Section 2 of this 2026 Act and the amendments to
13 ORS 184.617 and 184.661 by sections 1 and 4 of this 2026 Act apply to
14 projects included in the Statewide Transportation Improvement Pro-
15 gram on or after the effective date of this 2026 Act.**

16 **“(2) Section 2 of this 2026 Act does not apply to transportation
17 projects listed in ORS 367.095 or section 71d or 71f, chapter 750, Oregon
18 Laws 2017.**

19 **“SECTION 10. This 2026 Act takes effect on the 91st day after the
20 date on which the 2026 regular session of the Eighty-third Legislative
21 Assembly adjourns sine die.”.**

22 _____