

House Bill 4078

Sponsored by Representative POST; Representatives BOONE, BUCKLEY, ESQUIVEL, GORSEK, HACK, HUFFMAN, KOMP, LIVELY, PILUSO, WILSON, WITT, Senators BEYER, KRUSE (Pre-session filed.)

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**.

Creates Transit Expansion Fund. Continuously appropriates moneys in fund to Department of Transportation.

Authorizes Department of Transportation to issue grants to entities that provide public transportation in rural communities, small urban communities and certain large urban communities for purpose of maintaining or expanding public transportation systems.

Sunsets June 30, 2036.

A BILL FOR AN ACT

1
2 Relating to grants for public transportation.

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

4 **SECTION 1. The Transit Expansion Fund is established in the State Treasury, separate**
5 **and distinct from the General Fund. Interest earned by the Transit Expansion Fund shall**
6 **be credited to the fund. The fund consists of moneys deposited in the fund from any source**
7 **and may include moneys appropriated, allocated or transferred to the fund by the Legislative**
8 **Assembly and interest earned on moneys in the fund. Moneys in the fund are continuously**
9 **appropriated to the Department of Transportation for the purposes specified in section 3 of**
10 **this 2016 Act.**

11 **SECTION 2. As used in this section and sections 3 and 4 of this 2016 Act:**

12 (1) **"Eligible provider" means a public transportation entity as defined in ORS 184.675:**

13 (a) **That is currently receiving state or federal funding for public transportation pur-**
14 **poses; and**

15 (b) **That serves an area:**

16 (A) **That has a population of 200,000 or less; or**

17 (B) **That has a population of more than 200,000 and that is not currently levying a tax**
18 **as authorized by ORS 267.385 or 267.615 (1)(g).**

19 (2) **"Public transportation system" has the meaning given that term in ORS 184.675.**

20 **SECTION 3. (1) The Department of Transportation shall issue grants from the Transit**
21 **Expansion Fund established in section 1 of this 2016 Act to eligible providers for the purpose**
22 **of maintaining or expanding public transportation systems, subject to subsections (2) and (3)**
23 **of this section.**

24 (2) **If an eligible provider has not previously received grant moneys under this section,**
25 **the department may not issue a grant to the eligible provider unless the eligible provider**
26 **applies for a grant by submitting a development plan to the department. The development**
27 **plan must:**

28 (a) **Describe how the eligible provider will use the grant moneys to maintain or expand**

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 public transportation system;

2 (b) Set forth objective performance measures approved by the department against which
3 the success of the development plan may be measured;

4 (c) Be consistent with transportation system or transit plans that apply in the geographic
5 area in which the eligible provider operates;

6 (d) If the eligible provider receives federal funding for transportation projects under 49
7 U.S.C. 5307 or 49 U.S.C. 5311, affirmatively state that the use of Transit Expansion Fund
8 moneys will not jeopardize federal funding for the project; and

9 (e) Satisfy all other requirements that the department establishes by rule.

10 (3) If an eligible provider has previously received grant moneys under this section, the
11 department may not disburse further grant moneys unless the eligible provider submits a
12 report to the department each biennium describing the use of the moneys and demonstrating
13 satisfactory implementation of the development plan with respect to the performance meas-
14 ures set forth in the development plan.

15 (4) If an eligible provider submits a report under subsection (3) of this section that
16 demonstrates unsatisfactory implementation of the development plan, the department may
17 not disburse further grant moneys to the eligible provider under this section unless the eli-
18 gible provider prepares and submits an amended development plan. The department shall
19 evaluate the amended development plan to determine whether to disburse further grant
20 moneys to the eligible provider.

21 (5) During the two-year period immediately following each disbursement of moneys from
22 the fund to an eligible provider, the eligible provider may not reduce or eliminate local taxes
23 that the eligible provider levies for the purpose of funding public transportation systems.

24 (6) An eligible provider shall spend grant moneys disbursed from the fund only in ac-
25 cordance with the development plan submitted by the eligible provider. The eligible provider
26 shall return to the department any moneys from the fund that cannot be so spent. An eli-
27 gible provider that spends moneys disbursed from the fund in violation of this subsection
28 shall pay to the department an amount equal to the amount expended for unauthorized uses.

29 (7) The department shall submit to the Legislative Assembly, before the end of each
30 biennium, a report describing the projects for which the department has disbursed moneys
31 from the fund and the degree to which those projects have been satisfactorily implemented.

32 **SECTION 4.** The Department of Transportation shall adopt rules necessary to carry out
33 the provisions of section 3 of this 2016 Act, including but not limited to:

34 (1) Rules describing the information that must be included in a development plan sub-
35 mitted under section 3 (2) of this 2016 Act.

36 (2) Rules setting forth objective standards by which the department will determine which
37 eligible providers will receive moneys from the Transit Expansion Fund, taking into account
38 factors including but not limited to:

39 (a) The degree to which the development plan will increase the number of people served
40 by the eligible provider;

41 (b) The degree to which the development plan will improve accessibility of services,
42 goods, employment, education and recreation for the population served by the eligi-
43 ble provider;

44 (c) The impact of the development plan on the local economy in the area served by the
45 eligible provider; and

1 (d) Whether the eligible provider previously satisfactorily or unsatisfactorily imple-
2 mented a development plan.

3 (3) Rules defining objective performance measures by which the department shall evalu-
4 ate the implementation of a development plan.

5 (4) Rules defining satisfactory and unsatisfactory achievement of performance measures.

6 SECTION 5. Section 3 of this 2016 Act becomes operative on the date the Department of
7 Transportation adopts rules under section 4 of this 2016 Act.

8 SECTION 6. (1) Sections 1 to 4 of this 2016 Act are repealed on June 30, 2036.

9 (2) Any balance in the Transit Expansion Fund established in section 1 of this 2016 Act
10 that is unexpended and unobligated on the date section 1 of this 2016 Act is repealed, and all
11 moneys that would have been deposited in the fund had section 1 of this 2016 Act remained
12 in effect, shall be transferred to and deposited in the General Fund and made available for
13 general governmental purposes.

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