

A-Engrossed
Senate Bill 16

Ordered by the Senate April 12
Including Senate Amendments dated April 12

Sponsored by Senator GORSEK (Presession 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.

[Requires Department of Transportation to study funding options to support transportation by rail. Directs department to submit findings to interim committees of Legislative Assembly related to transportation not later than September 15, 2024.]

[Sunsets January 2, 2025.]

Clarifies that moneys in State Rail Rehabilitation Fund may be used by Department of Transportation for rail projects.

Modifies provisions authorizing use of moneys in fund.

Directs department to report annually to Joint Committee on Transportation.

Declares emergency, effective on passage.

A BILL FOR AN ACT

1
2 Relating to transportation by rail; creating new provisions; amending ORS 824.016; and declaring
3 an emergency.

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

5 **SECTION 1.** ORS 824.016 is amended to read:

6 824.016. (1) The State Rail Rehabilitation Fund is established as an account in the General Fund
7 of the State Treasury. All moneys in the account are appropriated continuously to the Department
8 of Transportation for expenditures for any or all of the following:

9 (a) Acquisition of a railroad line.

10 (b) Rehabilitation or improvement of rail properties.

11 (c) Planning for rail services.

12 (d) Any other methods of reducing the costs of lost rail service in this state.

13 **(e) Rail projects, including:**

14 **(A) Capacity improvements, such as:**

15 **(i) New or lengthened sidings;**

16 **(ii) Industrial spur rehabilitation; and**

17 **(iii) Industrial spur construction;**

18 **(B) Capital investments that improve safety; and**

19 **(C) Capital investments that reduce greenhouse gases.**

20 **(f) Providing state matching funds to leverage federal discretionary grant funding for rail**
21 **projects.**

22 (2) The program developed by the Department of Transportation under this section to provide
23 funds *[for rail projects]* shall include:

24 *[(a) Development of a formula for determining a minimum cost to benefit ratio necessary for project*

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 *funding;]*

2 *[(b) Supervision and monitoring of railroad acquisitions and the awarding of rehabilitation con-*
3 *tracts;]*

4 *[(c) Continuing inspection of all railroad rehabilitation projects; and]*

5 *[(d) Auditing financial records of all railroad acquisition and rehabilitation projects.]*

6 **(a) Development of a methodology for prioritizing funding that takes into consideration**
7 **an applicant’s ability to use funding sources to leverage federal discretionary grant funding**
8 **for rail projects.**

9 **(b) A requirement that rail projects selected are projects that are consistent with the**
10 **goals of the Oregon State Rail Plan.**

11 (3) The Department of Transportation shall provide funds [*for railroad projects*] under this sec-
12 tion only with the approval of the Oregon Transportation Commission.

13 **(4) The department may use moneys in the fund to pay the department’s administrative**
14 **costs associated with the fund and with carrying out the provisions of this section.**

15 **(5) Not later than December 31 of each even-numbered year, the department shall report,**
16 **in the manner provided in ORS 192.245, to the Joint Committee on Transportation regarding**
17 **the expenditures of moneys in the fund and the status of rail projects that have received**
18 **moneys from the fund.**

19 **SECTION 2. (1) The amendments to ORS 824.016 by section 1 of this 2023 Act become**
20 **operative on January 1, 2024.**

21 **(2) The Department of Transportation may take any action before the operative date**
22 **specified in subsection (1) of this section that is necessary for the department to carry out,**
23 **on and after the operative date specified in subsection (1) of this section, the amendments**
24 **to ORS 824.016 by section 1 of this 2023 Act.**

25 **SECTION 3. This 2023 Act being necessary for the immediate preservation of the public**
26 **peace, health and safety, an emergency is declared to exist, and this 2023 Act takes effect**
27 **on its passage.**

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