

# Memo

Date: July 15, 2021

To: Members of the Joint Policy Advisory Committee on Transportation

From: Tyler Frisbee, Deputy Director of Government Affairs and Anneliese Koehler, Regional and State Affairs Advisor

Subject: 2021 Federal and State Legislative Update

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## **State Legislative Update**

### 2021 Legislative Session context

The 2021 Legislature convened on January 19 and adjourned on June 26, one day before its constitutional deadline. This session resembled no other regular session in Oregon history as it was held in the midst of a global pandemic. This meant that the public was barred from the Capitol for safety reasons, all committee hearings were held remotely by videoconference and floor sessions were in-person for legislators only. This created unique challenges for those involved in the legislative process because communication was more difficult, especially to legislators. While under normal circumstances one can catch members for brief conversations in a number of places in the Capitol, staff are readily available for drop-by conversations, and lobbyists roam the halls and collaborate easily, the elimination of in-person activity dramatically reduced the sheer volume of information exchanged and made it much more difficult to reach members.

Much of the session was focused overall on COVID-19 response, wildfire response and racial justice. Additionally, the session started with concerns about budget cuts and a troubling financial forecast for the state and ended with a significant influx of federal funds through the American Rescue Plan Act of 2021 and a rosier outlook for anticipated state revenues. This resulted in historic levels of spending this biennium. A considerable portion of the funding was one-time and focused on addressing economic recovery, housing and homelessness, education, behavioral health, wildfire recovery and disaster preparedness, racial equity, and water systems.

### Transportation

In the 2021 Legislative Session, the Joint Transportation Committee established by HB 2017 (2017) was the primary committee that discussed and debated transportation bills and is where much of the session's action on transportation took place. Highlights of the more significant bills and concepts they contemplated are provided below.

#### *Congestion pricing and HB 2017*

[HB 3055](#) is an omnibus bill that contains multiple provisions related to transportation. Of significant note are the portions that provide a financial pathway to deliver on HB 2017's major projects and further flesh out the congestion pricing program established in HB 2017. These portions of the bill went through multiple iterations, including amendments out of a stakeholder process with legislative leadership, local governments from the greater Portland area, ODOT and environmental organizations. The final version of the bill had the support or neutrality of nearly all of the local governments in the region that submitted statements on the record and contains the following provisions:

- Expands the use of the funding previously dedicated to the Rose Quarter project, allowing it also to be used for I-205, Boone Bridge and the implementation of the tolling program itself

- Calls out the dual purpose of the tolling program: manage congestion and raise revenue
- Requires the OTC to ensure that tolling reduces congestion and improves safety on the interstate and on adjacent streets impacted by tolling and minimizes and mitigates impacts to historically and currently underrepresented communities
- Requires government-to-government collaboration to determine the traffic, equity, safety and climate impacts of tolls and to make investments to reduce those impacts
- Requires that ODOT establish a method for implementing income-based toll rates

#### *Road User Fee*

Proposed by the Road User Fee Task Force, a legislatively created group charged with developing sustainable transportation funding, [HB 2342](#) would have required that all new model year 2027 vehicles that get 30 mpg or greater participate in Oregon's per-mile road usage charge program. The bill passed out of the Joint Transportation Committee but lacked support and failed in Ways and Means.

#### *State funding for state-owned highways*

Jurisdictional transfer and state funding for state-owned highways was another topic discussed by the Joint Transportation Committee. [HB 2744](#), a concept discussed in previous sessions, would have authorized jurisdictional transfer studies statewide and established a jurisdictional transfer fund. New this session was the carving out of the Portland area for the study portion because our region has already completed such a study. The bill failed to pass out of the Joint Transportation Committee.

[HB 5006](#) provided \$80 million for safety improvements on 82<sup>nd</sup> Avenue. Along with a commitment of \$70 million from ODOT and \$35 million from PBOT, this provides full "state of good repair" funding and facilitates the transfer of 82nd Avenue to the City of Portland. This bill also includes \$4 million for the Sunrise Gateway Corridor community engagement and visioning effort.

#### *Local control*

There were a number of bills that increased local control over transportation systems. In particular, [HB 2530](#) passed and made permanent the City of Portland's authority to operate fixed speed photo radar on urban high-crash corridors. As introduced, the bill extended this authority to other cities with populations of 50,000 or more, but that provision was not included in the final bill. However, committee discussions indicate that there will likely be conversations over the interim and similar concepts introduced in the future.

Additionally, the omnibus transportation bill, [HB 3055](#), also contained provisions that give ODOT increased authority to delegate speed limit setting to certain jurisdictions in the Portland region, subject to criteria adopted by ODOT. Jurisdictions would have the option to petition ODOT to set speed limits on their local roads, subject to ODOT criteria and approval.

### **Federal Legislative Update**

Congress continues to have a lot of infrastructure and transportation related activity, but the path forward remains unclear. This is an important time for local government officials and advocacy organizations to communicate the impact that a robust transportation bill (and new transportation policy) could have on our communities. Metro staff will work to keep JPACT members informed and to advocate for the policies in the JPACT Federal Agenda as things move forward.

#### *Bipartisan Infrastructure Deal*

The bipartisan infrastructure deal represents agreement on a set of topline numbers for infrastructure funding (mostly transportation funding, but including other water, broadband, and sewer infrastructure initiatives). That agreement is currently being turned into legislative text. If that deal moves through the Senate, it will set the topline numbers for the transportation authorization proposals, and the transportation authorization bills will set policy.

Over the next few weeks there will be lots of bumps as the bipartisan deal comes closer to reality, these bumps don't necessarily mean the deal is finished. A successful deal will require a strong push from President Biden. Part of what local governments can do to keep momentum moving forward is to stay focused on the big picture: what significant transportation (and infrastructure) funding can do for the people we serve.

#### *House of Representatives Transportation Action*

The INVEST Act, the transportation authorization proposal put forward by the House of Representatives, under the guidance of Transportation and Infrastructure Chairman Peter DeFazio, passed the House of Representatives with a bipartisan vote at the end of June. The INVEST Act has a strong focus on increased multimodal investment and meeting local needs and aligns with much of the JPACT Federal Legislative Agenda. The House is ready to go to Conference should the Senate take action.

#### *Senate Transportation Action*

The Senate Environment and Public Works Committee has passed a bill out of Committee; they address the highway and road components of transportation authorization but the Banking and Commerce Committees both need to take action on the transit and rail titles (respectively). Both committees appear to be waiting for clearer direction from the bipartisan infrastructure deal before they take further action.

#### *Earmarks*

The INVEST Act includes \$30 million in earmarks directed to the Portland region, which is a significant achievement for the Portland region. The Senate is currently not considering earmarks, but congressional staff are aware of the region's earmark package. If a transportation authorization bill is to include earmarks, it will have to go through "regular" Senate order (i.e. not use the reconciliation process). Metro staff will keep JPACT members updated as the process unfolds.