

House Bill 2644

Sponsored by Representatives BURLEY, WHISNANT, Senator WESTLUND

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**.

Authorizes issuance of lottery bonds to finance construction of passenger terminal at Redmond Municipal Airport.

Declares emergency, effective on passage.

A BILL FOR AN ACT

1
2 Relating to lottery bonds for construction of passenger terminal at the Redmond Municipal Airport;
3 appropriating money; and declaring an emergency.

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

5 **SECTION 1. (1) The Legislative Assembly finds that issuing lottery bonds to provide**
6 **grants to the City of Redmond to assist in the funding of the construction of a new passenger**
7 **terminal at the Redmond Municipal Airport is essential to promoting economic development**
8 **in central Oregon.**

9 **(2) The use of lottery bond proceeds is authorized based on the following findings:**

10 **(a) The economy of the Crook, Deschutes and Jefferson tri-county area has been growing**
11 **rapidly in recent years, providing additional jobs and tax revenues to the state of Oregon.**
12 **Tourism employs more than 7,000 local residents and generates more than \$1.2 billion in total**
13 **economic impacts annually.**

14 **(b) The economy of the Crook, Deschutes and Jefferson tri-county area will benefit from**
15 **the construction of a new passenger terminal at the Redmond Municipal Airport because it**
16 **will increase the capability of the airport to meet air travel needs for the tri-county area and**
17 **provide for continued and expanded economic opportunities for tourism and economic devel-**
18 **opment through improved connections to locations in California, Washington, Utah, Colorado**
19 **and elsewhere.**

20 **(c) Increased capacity for air transport at the Redmond Municipal Airport will increase**
21 **the opportunity to attract new industries to areas served by the airport, leading to increased**
22 **revenues for the state of Oregon. In 2005, the number of passengers boarding planes at the**
23 **airport increased by 21.5 percent, outpacing all other airports in the state. In 2006, the**
24 **number of passengers boarding planes at the airport is expected to exceed 200,000. New, di-**
25 **rect air service from Redmond to Portland, Seattle, Salt Lake City, Los Angeles and Eugene**
26 **is drawing an increasing number of out-of-state visitors to central Oregon.**

27 **(d) The construction of a new passenger terminal at the Redmond Municipal Airport will**
28 **promote economic development in this state, and the use of net proceeds from the operation**
29 **of the Oregon State Lottery to pay debt service on lottery bonds issued under this section**
30 **to finance a portion of the costs of a new passenger terminal at the Redmond Municipal**
31 **Airport is an authorized use of state lottery funds under section 4, Article XV of the Oregon**

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 Constitution, and ORS 461.510.

2 (3) Federal regulations implemented by the Transportation Security Administration re-
 3 quire additional safeguards that the current facility cannot meet. The planned improvements
 4 and expansion of the terminal would meet these provisions and ensure a secure facility for
 5 passengers and workers.

6 **SECTION 2.** The aggregate principal amount of lottery bonds issued pursuant to section
 7 4 of this 2007 Act to assist in the funding of the construction of a new passenger terminal
 8 at the Redmond Municipal Airport may not exceed the sum of \$2.5 million and an additional
 9 amount estimated by the State Treasurer to be necessary to pay bond-related costs. Lottery
 10 bonds issued pursuant to section 4 of this 2007 Act shall be issued only at the request of the
 11 Director of the Economic and Community Development Department. The director may not
 12 request the issuance of lottery bonds pursuant to section 4 of this 2007 Act until the City
 13 Manager of Redmond does all of the following:

14 (1) Certifies in writing:

15 (a) That all necessary permits for the proposed construction have been obtained by the
 16 City of Redmond; and

17 (b) That additional funds for construction of the new passenger terminal will cover at
 18 least 80 percent of the total costs; and

19 (2) Provides documentation to the Director of the Economic and Community Develop-
 20 ment Department that verifies that the City of Redmond will have sufficient funding to
 21 complete the project.

22 **SECTION 3.** (1) The Redmond Airport Improvement Fund is established in the State
 23 Treasury, separate and distinct from the General Fund. The net proceeds of lottery bonds
 24 issued pursuant to section 4 of this 2007 Act shall be deposited in the fund. All moneys in the
 25 Redmond Airport Improvement Fund are continuously appropriated to the Economic and
 26 Community Development Department for the purpose of providing grants to the City of
 27 Redmond to assist in the funding of the construction of a new passenger terminal at the
 28 Redmond Municipal Airport. Interest earned on moneys in the fund shall be credited to the
 29 fund.

30 (2) Subject to subsection (3) of this section, moneys in the fund shall be made available
 31 for distribution to the City of Redmond in the form of grants for the purpose specified in
 32 section 1 of this 2007 Act.

33 (3) The Director of the Economic and Community Development Department shall enter
 34 into a grant agreement with the City of Redmond that requires the department to disburse
 35 the aggregate amount of \$2.5 million from the fund to the City of Redmond when:

36 (a) Moneys are available; and

37 (b) The City Manager of Redmond has provided the documentation required under section
 38 2 of this 2007 Act.

39 **SECTION 4.** (1) For the biennium beginning July 1, 2007, the State Treasurer is author-
 40 ized to issue lottery bonds pursuant to ORS 286.560 to 286.580 and 348.716 in the amount of
 41 \$2.5 million for payment of grants to the City of Redmond related to the construction of a
 42 passenger terminal facility at the Redmond Municipal Airport, plus an additional amount
 43 estimated by the State Treasurer for payment of bond-related costs of the Economic and
 44 Community Development Department and the State Treasurer.

45 (2) Net proceeds of lottery bonds issued under subsection (1) of this section, in the

1 amount of \$2.5 million, shall be deposited in the Redmond Airport Improvement Fund estab-
2 lished by section 3 of this 2007 Act not later than December 15, 2007.

3 **SECTION 5.** This 2007 Act being necessary for the immediate preservation of the public
4 peace, health and safety, an emergency is declared to exist, and this 2007 Act takes effect
5 on its passage.

6
