

Enrolled House Bill 5035

Ordered printed by the Speaker pursuant to House Rule 12.00A (5). Pre-session filed (at the request of Budget and Management Division, Oregon Department of Administrative Services)

CHAPTER

AN ACT

Relating to state financial administration; limiting expenditures; and declaring an emergency.

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

SECTION 1. During the biennium beginning July 1, 2007, all lottery revenues available to benefit the public purposes specified in section 4, Article XV of the Oregon Constitution, that are in excess of distributions or allocations required by law shall be maintained in the Administrative Services Economic Development Fund.

SECTION 2. All moneys in the Administrative Services Economic Development Fund as of July 1, 2007, and thereafter are reserved to meet the commitments of this 2007 Act.

SECTION 3. The following amounts are allocated for the biennium beginning July 1, 2007, from the Administrative Services Economic Development Fund, to the Economic and Community Development Department, for the following purposes:

- (1) Department operations \$ 18,379,555
- (2) Oregon Main Street staff..... \$ 135,431
- (3) Oregon Community Development Fund \$ 43,269,190
- (4) Strategic Reserve for Workforce \$ 1,700,000
- (5) Targeted Service Providers..... \$ 1,350,000
- (6) Oregon Main Street \$ 500,000
- (7) Targeted Workforce Training... \$ 250,000
- (8) Olympic Trials..... \$ 500,000
- (9) Oregon Film and Video Office .. \$ 1,281,695
- (10) Principal and interest payments on lottery revenue bonds..... \$ 57,726,272

SECTION 4. Notwithstanding any other law limiting expenditures, the amount of \$5,250,000 is established for the biennium beginning July 1, 2007, as the maximum limit for payment of expenses from lottery moneys allocated from the Administrative Services Economic Development Fund to the Economic and Community Development Department for deposit in the Oregon Community Development Fund, for the Oregon Innovation Council for the development of a signature research center focused on drug development in the areas of infectious diseases.

SECTION 5. Notwithstanding any other law limiting expenditures, the amount of \$200,000 is established for the biennium beginning July 1, 2007, as the maximum limit for payment of expenses from lottery moneys allocated from the Administrative Services Economic Development Fund to the Economic and Community Development Department for the strategic reserve for workforce development and for other economic development investments.

SECTION 6. There is allocated for the biennium beginning July 1, 2007, from the Administrative Services Economic Development Fund, to the Economic and Community Development Department, the amount of \$449,647 for the purpose of paying, when due, the principal, interest and premium, if any, on outstanding lottery bonds for Coos Bay channel deepening projects authorized pursuant to section 13, chapter ____, Oregon Laws 2007 (Enrolled House Bill 5036), and on any bonds issued to refund such lottery bonds, of funding reserves for any of those bonds and of paying related costs of the department.

SECTION 7. Notwithstanding any other law limiting expenditures, for the biennium beginning July 1, 2007, the maximum limit for payment of expenses from lottery moneys allocated from the Administrative Services Economic Development Fund to the Economic and Community Development Department for debt service under section 3 (10), chapter ____, Oregon Laws 2007 (Enrolled Senate Bill 5508), is increased by \$389,882.

SECTION 8. There is allocated for the biennium beginning July 1, 2007, from the Administrative Services Economic Development Fund, to the Department of Education, for the State School Fund, the amount of \$634,142,231.

SECTION 9. There is allocated for the biennium beginning July 1, 2007, from the Administrative Services Economic Development Fund, to the Department of Transportation, the amount of \$41,579,216 for the purposes of paying, when due, the principal, interest and premium, if any, on outstanding lottery bonds for rail projects, rail infrastructure assistance and multimodal transportation infrastructure projects and on any bonds issued to refund such lottery bonds, of funding reserves for any of those bonds and of paying related costs of the department.

SECTION 10. There is allocated for the biennium beginning July 1, 2007, from the Administrative Services Economic Development Fund, to the Department of Transportation, the amount of \$4,931,493 for the purpose of paying, when due, the principal, interest and premium, if any, on lottery bonds for rail projects, rail infrastructure assistance and multimodal transportation infrastructure projects authorized pursuant to section 1, chapter ____, Oregon Laws 2007 (Enrolled House Bill 2278), and on any bonds issued to refund such lottery bonds, of funding reserves for any of those bonds and of paying related costs of the department.

SECTION 11. Pursuant to ORS 461.549, there is allocated for the biennium beginning July 1, 2007, from the Administrative Services Economic Development Fund, to the Problem Gambling Treatment Fund, for distribution to counties for treatment of gambling addiction, the amount of \$13,161,496.

SECTION 12. There is allocated for the biennium beginning July 1, 2007, from the Administrative Services Economic Development Fund, to the Department of Education, for the Lottery Bond Fund for the purpose of paying, when due, the principal, interest and premium, if any, on outstanding education lottery bonds, the amount of \$41,874,677.

SECTION 13. There is transferred to the Lottery Bond Fund for the biennium beginning July 1, 2007, out of the Oregon Education Fund, 100 percent of the declared earnings on the Education Stability Fund that are transferred to the Oregon Education Fund during the biennium beginning July 1, 2007, to be used by the Department of Education for the purposes of maintaining cash flow and paying, when due, the principal, interest and premium, if any, on outstanding education lottery bonds.

SECTION 14. There is allocated for the biennium beginning July 1, 2007, from the Administrative Services Economic Development Fund, to the Housing and Community Services

Department, for the purpose of paying, when due, the principal, interest and premium, if any, on outstanding lottery bonds, the amount of \$4,396,584.

SECTION 15. There is allocated for the biennium beginning July 1, 2007, from the Administrative Services Economic Development Fund, to the Housing and Community Services Department, the amount of \$1,476,120 for the purpose of paying, when due, the principal, interest and premium, if any, on lottery bonds issued to finance homeless housing.

SECTION 16. There is allocated for the biennium beginning July 1, 2007, from the Administrative Services Economic Development Fund, to the Oregon Department of Administrative Services, for transfer to the State Department of Agriculture, the amount of \$35,190 for the purpose of supporting the administration of county fairs in this state.

SECTION 17. Pursuant to ORS 565.447, there is allocated for the biennium beginning July 1, 2007, from the Administrative Services Economic Development Fund, to the Oregon Department of Administrative Services, the amount of \$3,557,141 for the purpose of supporting county fairs in this state. Funds allocated under this section shall be deposited in the County Fair Account established by ORS 565.445.

SECTION 18. There is allocated for the biennium beginning July 1, 2007, from the Administrative Services Economic Development Fund, to the Oregon Department of Administrative Services, the amount of \$1,605,934 for the purpose of paying, when due, the principal, interest and premium, if any, and bond-related costs on outstanding lottery bonds issued to finance equipment modernization for public broadcasting in Oregon.

SECTION 19. Notwithstanding any other law limiting expenditures, for the biennium beginning July 1, 2007, the maximum limit for payment of expenses from lottery moneys allocated from the Administrative Services Economic Development Fund to the Oregon Department of Administrative Services for the purpose of paying, when due, the principal, interest and premium, if any, and bond-related costs on lottery bonds issued to finance equipment modernization for public broadcasting in Oregon pursuant to section 16, chapter ____, Oregon Laws 2007 (Enrolled House Bill 5036), is increased by \$168,703.

SECTION 19a. There is allocated for the biennium beginning July 1, 2007, from the Administrative Services Economic Development Fund, to the Oregon Department of Administrative Services, the amount of \$168,703 for the purpose of paying, when due, the principal, interest and premium, if any, on lottery bonds issued for equipment modernization for public broadcasting in Oregon.

SECTION 20. During the biennium beginning July 1, 2007, the Oregon Department of Administrative Services shall transfer to the Oregon Public Broadcasting Corporation \$3,000,000 of the proceeds from lottery bonds issued to finance modernization of equipment for public broadcasting in Oregon.

SECTION 21. There is allocated for the biennium beginning July 1, 2007, from the Administrative Services Economic Development Fund, to the Department of Higher Education, the amount of \$7,948,180 for the purpose of paying, when due, the principal, interest and premium, if any, on outstanding lottery bonds issued to finance facilities construction and deferred maintenance projects.

SECTION 22. There is allocated for the biennium beginning July 1, 2007, from the Administrative Services Economic Development Fund, to the office of the Governor, the amount of \$2,146,112 for expenses of the Economic Revitalization Team.

SECTION 23. For the purpose of carrying out the provisions of ORS 461.543 (4), there is allocated for the biennium beginning July 1, 2007, from the Administrative Services Economic Development Fund, to the Sports Lottery Account, the amount of \$11,634,945.

SECTION 24. There is allocated for the biennium beginning July 1, 2007, from the Administrative Services Economic Development Fund, to the Oregon Department of Administrative Services, the amount of \$45,182,914 for distribution to counties for economic development activities as provided by ORS 461.547.

SECTION 25. (1) The Oregon Department of Administrative Services shall establish by rule a process for allocating available moneys in the Administrative Services Economic Development Fund on a quarterly basis to fulfill the biennial allocations made in this 2007 Act. All quarterly allocations shall be set by the Oregon Department of Administrative Services.

(2) If, in any quarter, the moneys transferred from the State Lottery Fund to the Administrative Services Economic Development Fund are insufficient to pay for the quarterly allocations made under this 2007 Act, the Oregon Department of Administrative Services:

(a) Shall satisfy the debt service obligations for Westside Light Rail in the amount of \$19,927,285 prior to making any other allocations pursuant to this 2007 Act.

(b) Subject to paragraph (a) of this subsection, prior to making any other allocations pursuant to this 2007 Act, shall satisfy debt service obligations in the following amounts:

- (A) Economic and Community Development Department \$ 58,175,919
- (B) Department of Education \$ 41,874,677
- (C) Housing and Community Services Department..... \$ 5,872,704
- (D) Oregon Department of Administrative Services..... \$ 1,774,637
- (E) Department of Higher Education..... \$ 13,277,317
- (F) Department of Transportation for rail and infrastructure projects \$ 46,510,709

(3) After the debt service obligations described in subsection (2) of this section are satisfied, if the remaining moneys transferred from the State Lottery Fund to the Administrative Services Economic Development Fund are insufficient to pay for the quarterly allocations made under this 2007 Act, the allocations shall be reduced proportionately in sufficient amounts to accommodate the revenue shortfall.

SECTION 26. Notwithstanding any other law limiting expenditures, the amount of \$2,130,000 is established for the biennium beginning July 1, 2007, as the maximum limit for payment of expenses from fees, moneys or other revenues, including Miscellaneous Receipts, but excluding lottery funds and federal funds, collected or received by the Economic and Community Development Department for the purpose of paying, when due, the principal, interest and premium, if any, and bond-related costs on lottery bonds issued.

SECTION 27. There is allocated for the biennium beginning July 1, 2007, from the Administrative Services Economic Development Fund, to the Department of Higher Education, the amount of \$5,329,137 for the purpose of paying, when due, the principal, interest and premium, if any, and bond-related costs on lottery bonds issued to finance capital repair projects.

SECTION 28. This 2007 Act being necessary for the immediate preservation of the public peace, health and safety, an emergency is declared to exist, and this 2007 Act takes effect July 1, 2007.

Passed by House June 25, 2007

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Chief Clerk of House

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Speaker of House

Passed by Senate June 26, 2007

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President of Senate

Received by Governor:

.....M,....., 2007

Approved:

.....M,....., 2007

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Governor

Filed in Office of Secretary of State:

.....M,....., 2007

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Secretary of State