

**HOUSE AMENDMENTS TO
A-ENGROSSED SENATE BILL 350
(INCLUDING AMENDMENTS TO RESOLVE CONFLICTS)**

By JOINT COMMITTEE ON WAYS AND MEANS

June 25

1 On page 1 of the printed A-engrossed bill, line 16, after “285B.755” insert “and sections 97 and
2 97a, chapter ___, Oregon Laws 2007 (Enrolled House Bill 3265)”.

3 On page 60, after line 32, insert:
4

5 **“CONFLICT AMENDMENTS**

6
7 **“SECTION 87. Notwithstanding section 29, chapter ___, Oregon Laws 2007 (Enrolled**
8 **House Bill 2263) (amending ORS 285A.090), if House Bill 2263 becomes law, ORS 285A.090 is**
9 **repealed.**

10 **“SECTION 88.** If House Bill 2263 becomes law, ORS 285A.020, as amended by section 2 of this
11 2007 Act, is amended to read:

12 “285A.020. (1) The Legislative Assembly finds that:

13 “(a) Oregon possesses many unique and sustaining virtues that will guide and assist in main-
14 taining the state’s economic health, including but not limited to Oregon’s:

15 “(A) Special heritage;

16 “(B) Respect for and cultivation of the environment; and

17 “(C) Attention to quality of life issues that are important to the state’s economic development,
18 including but not limited to access to quality, affordable child care for all children in Oregon.

19 “(b) Oregon is strategically placed to compete and succeed in the global community.

20 “(c) All regions of the state should share in Oregon’s economic recovery.

21 “(d) Creating and retaining quality jobs is vital to the state’s continued economic development.

22 “(e) Oregon’s agriculture and natural resource industries provide opportunities for beneficial
23 economic enterprise, including sustainable economic development activities.

24 “(f) A well educated and trained workforce is necessary to advance in today’s global economy.

25 “(g) The ability of existing businesses to grow and prosper is critical to Oregon’s economy.

26 “(h) Utilizing the state’s competitive advantages is essential to retain existing businesses and
27 attract new companies and investment into the state.

28 “(i) Continued economic development depends on strengthening traded sector industries.

29 “(j) International trade development and promotion is invaluable for future economic develop-
30 ment opportunities.

31 “(k) Small businesses remain a critical element of the state’s economic development, comprising
32 more than 90 percent of Oregon’s businesses.

33 “(L) Capacity building in rural and distressed areas is a key component of economic develop-
34 ment and revitalization efforts.

1 “(m) Oregon’s ports are important partners in the state’s economic development efforts and are
2 key components of local and state economic development strategies.

3 “(n) Improving and enhancing infrastructure is necessary to the state’s future economic devel-
4 opment.

5 “(o) Federal, state and local agencies working together will continue to enhance industrial site
6 development and other economic development activities.

7 “(p) The Economic and Community Development Department should be encouraged to convene
8 community development partners to explore the prospect of making loans to private industrial
9 landowners from the Brownfields Redevelopment Fund for future development opportunities.

10 “(2) It is the purpose of ORS chapters 285A, 285B and 285C to advance Oregon’s economy.

11 “(3) The Legislative Assembly declares that it is the immediate economic strategy of the state
12 to:

13 “(a) Promote a favorable investment climate to strengthen businesses, create jobs and raise real
14 wages;

15 “(b) Improve the national and global competitiveness of Oregon companies; and

16 “(c) Assist Oregon communities in building capacity to retain, expand and attract businesses.

17 “(4) To promote the advancement of the Oregon economy and implement the immediate eco-
18 nomic strategy of the state, the Economic and Community Development Department shall invest
19 resources in accordance with the following principles:

20 “(a) Processes for making public investments and working with local and regional issues must
21 be designed for flexibility so that actions can adapt to the constantly changing conditions and de-
22 mands under which communities and businesses operate.

23 “(b) Partnerships among local, state and federal governments and public and private organiza-
24 tions and entities should be strengthened to further the economic strategy of the state.

25 “(c) The expected impact of public investment and assistance shall be identified, in terms of
26 measurable outcomes, whenever possible.

27 “(d) State, federal and community goals, constraints and obligations should be identified at the
28 beginning of the planning process, and the state should work actively with community partners, re-
29 gions and state and local agencies to address and accomplish their mutual objectives.

30 “(5) When the department provides funds or assistance for projects, programs, technical support
31 or other authorized activities pursuant to [ORS 329.905 to 329.975 and] ORS chapters 285A, 285B
32 and 285C, the department shall give priority to projects, programs and activities that:

33 “(a) Retain and create jobs and raise real wages;

34 “(b) Promote capacity building, emphasizing rural and distressed areas;

35 “(c) Assist small business creation and expansion;

36 “(d) Invest and engage in training a skilled workforce;

37 “(e) Retain and expand existing companies and recruit new investment to Oregon;

38 “(f) Capitalize on Oregon’s competitive advantages and strategically invest resources to offset
39 competitive disadvantages;

40 “(g) Support innovation and research;

41 “(h) Assist industry clusters to succeed;

42 “(i) Market Oregon’s advantages;

43 “(j) Promote international trade and attract foreign direct investment;

44 “(k) Support the development of industrial and commercial lands;

45 “(L) Advance the efforts of ports to promote economic development activities; and

1 “(m) Build capacity in Oregon’s arts and cultural organizations, creative businesses and indi-
2 vidual artists.

3 **“SECTION 89. If House Bill 2263 becomes law, section 8 of this 2007 Act (amending ORS**
4 **285A.075) is repealed and ORS 285A.075, as amended by section 28, chapter ___, Oregon Laws**
5 **2007 (Enrolled House Bill 2263), is amended to read:**

6 *“285A.075. [(1) The Economic and Community Development Department, through research, pro-*
7 *motion and coordination of activities in this state, shall foster the most desirable growth and ge-*
8 *ographical distribution of agriculture, industry and commerce in the state. The department shall serve*
9 *as a central coordinating agency and clearinghouse for activities and information concerning the re-*
10 *sources and economy of the state.]*

11 **“(1) The Economic and Community Development Department shall:**

12 **“(a) Implement programs and adopt rules in accordance with applicable provisions of ORS**
13 **chapter 183 that are consistent and necessary to carry out the policies established by the**
14 **Oregon Economic and Community Development Commission and the duties, functions and**
15 **powers vested by law in the department.**

16 **“(b) Act as the official state liaison agency for persons interested in locating industrial**
17 **or business firms in the state and for state and local groups seeking new industry or busi-**
18 **ness, and maintain the confidentiality of negotiations conducted pursuant to this paragraph,**
19 **if requested.**

20 **“(c) Coordinate state and federal economic and community development programs.**

21 **“(d) Administer the state’s participation in the federal Community Development Block**
22 **Grant funding program authorized by 42 U.S.C. 5301 et seq.**

23 **“(e) Actively recruit domestic and international business firms to those communities**
24 **desiring business recruitment.**

25 **“(f) Consult with local governments to establish regions for the purpose of job develop-**
26 **ment and community assistance to facilitate economic activities in the region. Regions es-**
27 **tablished for this purpose need not be of the same size in geographic area or population.**

28 **“(g) Establish and operate foreign trade offices in foreign countries in which the depart-**
29 **ment considers a foreign trade office necessary. The department shall use department em-**
30 **ployees, contracts with public or private persons or a combination of employees and**
31 **contractors to establish and operate foreign trade offices. Department employees, including**
32 **managers, who are assigned to work in a foreign trade office shall be in the unclassified**
33 **service, and the director shall set the salaries of such employees. ORS 276.428, 279A.120,**
34 **279A.140, 279A.155, 279A.275, 279B.025, 279B.235, 279B.270, 279B.280, 279C.370, 279C.500 to**
35 **279C.530, 279C.540, 279C.545, 279C.800 to 279C.870, 282.020, 282.050, 282.210, 282.220, 282.230,**
36 **283.140, 459A.475, 459A.490, 653.268 and 653.269 do not apply to the department’s operation of**
37 **foreign trade offices outside the state.**

38 **“(h) Consult with other state agencies and with local agencies and officials prior to de-**
39 **fining or designating distressed areas for purposes of ORS 285A.020.**

40 **“(i) Budget moneys for travel and various other expenses of industrial or commercial site**
41 **location agents, film or video production location agents, business journal writers, elected**
42 **state officials or other state personnel to accomplish the purposes of ORS chapters 285A,**
43 **285B and 285C. The department may expend moneys duly budgeted to pay the travel and**
44 **other expenses of such persons if the director determines the expense may promote the**
45 **purposes of this subsection.**

1 “(j) **Promulgate rules to govern contracts.**

2 “(k) **Develop strategies to address issues that are necessary and appropriate to Oregon’s**
3 **future and adopt goals that include measurable indicators of success (Oregon benchmarks)**
4 **that show the extent to which each goal is being achieved.**

5 “(L) **Use practices and procedures that the department determines are the best practices**
6 **for carrying out the duties of the department.**

7 “(2) The department shall have no regulatory power over the activities of private persons. Its
8 functions shall be solely advisory, coordinative and promotional.

9 “[(3) *The department shall Administer the state’s participation in the federal Community Develop-*
10 *ment Block Grant funding program authorized by 42 U.S.C. 5301 et seq.*]

11 “[(4) *In order to accomplish the purposes of ORS chapters 285A, 285B and 285C, the department*
12 *may expend moneys duly budgeted to pay the travel and various other expenses of industrial or com-*
13 *mercial site location agents, film or video production location agents, business journal writers, elected*
14 *state officials or other state personnel whom the Director of the Economic and Community Development*
15 *Department determines may promote the purposes of this subsection.*]

16 “[(5) *In accordance with applicable provisions of ORS chapter 183, the department may adopt rules*
17 *necessary for the administration of laws that the department is charged with administering.*]

18 “[(6) *ORS 276.428, 279A.120, 279A.140, 279A.155, 279A.275, 279B.025, 279B.235, 279B.270,*
19 *279B.280, 279C.370, 279C.500 to 279C.530, 279C.540, 279C.545, 279C.800 to 279C.870, 282.020, 282.050,*
20 *282.210, 282.220, 282.230, 283.140, 459A.475, 459A.490, 653.268 and 653.269 do not apply to the de-*
21 *partment’s operation of foreign trade offices outside the state.*]

22 “[(7)] (3) Notwithstanding ORS 279A.140, the department may **award grants or** enter into con-
23 tracts [*for personal services*] as necessary or appropriate to carry out the duties, functions and
24 powers vested in the department by law.

25 “[(8)(a) *The department may contract directly with the Oregon Downtown Development Association,*
26 *or its successor entity, to provide downtown development and redevelopment assistance and similar*
27 *services to municipalities in Oregon.*]

28 “[(b) *The department may contract directly with Rural Development Initiatives, or its successor*
29 *entity, to provide training, technical assistance, planning assistance and other support and services to*
30 *municipalities in Oregon to build economic and community development capacity.*]

31 “[(c) *Contracts entered into under this subsection are exempt from the requirements of ORS 279.835*
32 *to 279.855 and ORS chapters 279A, 279B and 279C.*]

33 “[(9) *If the director determines that moneys are available, the department may transfer funds from*
34 *the Special Public Works Fund created under ORS 285B.455 or from the Water Fund established un-*
35 *der ORS 285B.563 to a state agency to provide financial assistance in the delivery of technical assist-*
36 *ance or other services to one or more water systems for evaluation of water quality or services or for*
37 *planning the improvement of water quality or services. The department may structure the financial as-*
38 *istance under this subsection in the form of an interagency grant or loan or in any other manner the*
39 *director considers necessary or appropriate.*]

40 “**SECTION 90. If House Bill 3265 becomes law, section 97, chapter __, Oregon Laws 2007**
41 **(Enrolled House Bill 3265) (amending ORS 285B.323), is repealed and ORS 285B.323, as**
42 **amended by section 73 of this 2007 Act, is amended to read:**

43 “285B.323. As used in ORS 285B.320 to 285B.371, unless the context requires otherwise:

44 “(1) ‘Bond’ or ‘revenue bond’ means [*any evidence of indebtedness, including but not limited to*
45 *any bond, note, obligation, loan agreement, financing agreement, contracts for leasing, rental or fi-*

1 nancing of real or personal property, including contracts for rental, long term leases under an optional
2 contract for purchase, financing agreements with vendors, financial institutions or others or for pur-
3 chase of any property secured by revenues or from other financing sources as provided in ORS
4 285B.320 to 285B.371. A bond, as defined in this subsection and issued under ORS 285B.320 to
5 285B.371, shall be considered a revenue bond for purposes of ORS 286.031] **a revenue bond, as de-**
6 **defined in section 2, chapter __, Oregon Laws 2007 (Enrolled House Bill 3265).**

7 “(2) ‘Economic development project’ includes any properties, real or personal, used or useful in
8 connection with a revenue producing enterprise, **an exempt [facilities] facility or a nonprofit**
9 **[entities] entity, and [related] vehicles, rolling stock or equipment related to an enterprise, facility**
10 **or entity.** ‘Economic development project’ does not include any facility or facilities designed pri-
11 marily for the generation, transmission, sale or distribution of electrical energy.

12 “(3) ‘Eligible project’ means an economic development project found by the Oregon Economic
13 and Community Development Commission to meet standards of the commission. The commission may
14 treat as a single eligible project for bonding purposes any number of economic development projects
15 determined to be eligible projects.

16 “(4) ‘Exempt facility’ means any facility described in section 142(a) of the Internal Revenue Code
17 of 1986, as amended and in effect as of June 30, 2007. If section 142(a) of the Internal Revenue Code
18 of 1986 is amended or altered on or after July 1, 2007, the Economic and Community Development
19 Department may adopt by rule a definition of ‘exempt facility’ that is consistent with section 142(a)
20 of the Internal Revenue Code of 1986 as amended or altered.

21 “(5) ‘Nonprofit entity’ means an institution, organization or other entity exempt from taxation
22 under section 501(c)(3) of the Internal Revenue Code of 1986, as amended and in effect as of June
23 30, 2007. If section 501(c)(3) of the Internal Revenue Code of 1986 is amended or altered on or after
24 July 1, 2007, the department may adopt a definition of ‘nonprofit entity’ that is consistent with sec-
25 tion 501(c)(3) of the Internal Revenue Code of 1986 as amended or altered.

26 **“SECTION 91. If House Bill 3265 becomes law, section 97a, chapter __, Oregon Laws 2007**
27 **(Enrolled House Bill 3265) (amending ORS 285B.326), is repealed and ORS 285B.326, as**
28 **amended by section 74 of this 2007 Act, is amended to read:**

29 “285B.326. (1) Upon determining that an economic development project is an eligible project, the
30 Oregon Economic and Community Development Commission shall [*forward the application to*] **re-**
31 **quest that** the State Treasurer[, *who shall determine whether to*] issue the bonds.

32 “(2) The commission shall collect fees set forth in rules established by the Economic and Com-
33 munity Development Department. Moneys collected under this subsection shall be deposited in the
34 Oregon Community Development Fund created under ORS 285A.227 and are continuously appropri-
35 ated to the commission for the purpose of administration or funding of the Oregon Industrial De-
36 velopment Revenue Bond and Express Bond Program.

37 “(3)(a) In addition to the fees described in subsection (2) of this section, the commission may
38 charge and receive reimbursement for expenses incurred in:

39 “(A) The initial review of an application for economic development projects sought to be de-
40 clared eligible for financing; and

41 “(B) Matters arising after the issuance of a bond.

42 “(b) Reimbursement for expenses under this subsection shall be charged and received in ac-
43 cordance with rules established by the department.

44 **“SECTION 92. The amendments to ORS 285B.323 and 285B.326 by sections 90 and 91 of**
45 **this 2007 Act become operative on January 1, 2008.”.**

- 1 In line 36, delete "87" and insert "93".
- 2 In line 42, delete "88" and insert "94".
- 3 _____