

Senate Bill 577

Sponsored by Senators MONNES ANDERSON, NELSON; Representatives DALLUM, SHIELDS

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**.

Permits Economic and Community Development Department to expend moneys from Special Public Works Fund to provide matching funds for federal grants for telecommunications infrastructure projects.

Takes effect on 91st day following adjournment sine die.

A BILL FOR AN ACT

1
2 Relating to matching funds from Special Public Works Fund for telecommunications infrastructure;
3 amending ORS 285B.455; and prescribing an effective date.

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

5 **SECTION 1.** ORS 285B.455 is amended to read:

6 285B.455. (1) There is created the Special Public Works Fund, separate and distinct from the
7 General Fund. All moneys credited to the Special Public Works Fund are appropriated continuously
8 to the Economic and Community Development Department.

9 (2) The fund shall consist of all moneys credited to the fund, including:

10 (a) Moneys appropriated to the fund by the Legislative Assembly or transferred to the fund by
11 the Oregon Economic and Community Development Commission;

12 (b) Earnings on the fund;

13 (c) Repayment of financial assistance, including interest;

14 (d) Moneys received from the federal government, other state agencies or local governments;

15 (e) Bond proceeds as authorized under ORS 285B.410 to 285B.482 or other law; and

16 (f) Moneys from any other source, including but not limited to grants and gifts.

17 (3) Moneys in the Special Public Works Fund, with the approval of the State Treasurer, may be
18 invested as provided by ORS 293.701 to 293.820 and the earnings from the investments shall be
19 credited to the account in the Special Public Works Fund designated by the department.

20 (4) The department shall administer the Special Public Works Fund.

21 (5) The department may establish other accounts within the Special Public Works Fund for the
22 payment of project costs, reserves, debt service payments, credit enhancement, administrative costs
23 and operation expenses or any other purpose necessary to carry out ORS 285B.410 to 285B.482.

24 (6) The department may grant, expend or loan moneys in the fund to:

25 (a) Provide financial or other assistance to municipalities for projects determined by the de-
26 partment to be appropriate.

27 (b) Purchase goods or services related to a project on behalf of the municipality.

28 (c) Provide state funds as a match for federal funds available for the administration of the
29 Community Development Block Grant program.

30 **(d) Provide state funds as a match for the United States Department of Agriculture Ru-**

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 **ral Development funds for telecommunications infrastructure projects.**

2 [(d)] (e) Finance administrative costs of the department pursuant to ORS 285B.410 to 285B.482.

3 [(e)] (f) Provide annual grants on behalf of a municipality in the form of partial repayment to
4 bondholders of amounts owed.

5 [(f)] (g) Cover contracts that are issued to guaranty any portion of the obligation of a munici-
6 pality to finance a development project and that are not sold to the State of Oregon. Guaranty
7 contracts under this paragraph shall be payable solely from moneys in the Special Public Works
8 Fund, and shall not constitute a debt or obligation of the State of Oregon. The department may, on
9 behalf of the state, establish a special account in the fund and commit to deposit into the account
10 specified portions of existing and future allocations to the fund. The commitments shall be made
11 by rule of the department and shall constitute covenants of the state for the benefit of the owners
12 of obligations guaranteed by the state pursuant to this section.

13 (7) As used in this section, "administrative costs" includes the department's direct and indirect
14 costs for investigating and processing an application, developing a contract, monitoring the use of
15 funds by a municipality, investigating and resolving budget discrepancies, closing a project and
16 providing financial or other assistance to a municipality.

17 **SECTION 2. This 2007 Act takes effect on the 91st day after the date on which the reg-**
18 **ular session of the Seventy-fourth Legislative Assembly adjourns sine die.**

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