

**Enrolled**  
**House Bill 2414**

Sponsored by Representative NOLAN, Senators MONROE, MORSE; Senators BONAMICI,  
GEORGE, HASS, METSGER, MORRISETTE, ROSENBAUM, STARR, VERGER, WALKER

CHAPTER .....

AN ACT

Relating to elections; appropriating money; and declaring an emergency.

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

**NOTE:** Sections 1 through 3 were deleted by amendment. Subsequent sections were not re-numbered.

**SECTION 4.** Except as otherwise provided in sections 5 and 6 of this 2009 Act, ORS chapters 250, 251 and 254 apply to an election held on House Joint Resolution 7 (2009) and House Joint Resolution 13 (2009).

**SECTION 5.** (1) Notwithstanding ORS 250.035, 250.067, 250.075 (2) and 250.085, the ballot title for House Joint Resolution 7 (2009) shall be:

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**AMENDS CONSTITUTION: EXPANDS AVAILABILITY OF HOME OWNERSHIP LOANS FOR OREGON VETERANS THROUGH OREGON WAR VETERANS' FUND.**

**RESULT OF "YES" VOTE:** "Yes" vote extends home loan program for Oregon veterans to lifetime benefit and increases eligibility for non-combat veterans, National Guard veterans and veterans who served after 9/11.

**RESULT OF "NO" VOTE:** "No" vote retains current law: Some combat veterans who completed service within past 30 years are eligible for loans; other veterans honorably discharged and some National Guard veterans remain ineligible.

**SUMMARY:** The Oregon Constitution currently provides that Oregon combat veterans may receive low-interest home loans from the Oregon War Veterans' Fund. Veterans must have received an honorable discharge and must have served for more than 210 consecutive days or been released because of injury or disability. Veterans must apply for loans within 30 years after release from service and must show ability to repay the loans. This measure amends the Oregon Constitution to make loans available to more veterans, including National Guard veterans, others who have honorably served overseas and veterans who have not seen combat. This measure would make low-interest home loans a lifetime benefit and would increase the number of honorably discharged veterans and surviving spouses who are eligible for the low-interest loan program.

(2) If a petition is filed under section 12 of this 2009 Act challenging the ballot title provided in subsection (1) of this section, the word limits described in ORS 250.035 (2) do not apply for the purposes of judicial review.

(3) Notwithstanding ORS 251.205, 251.215, 251.225, 251.230 and 251.235, the explanatory statement to be printed in the voters' pamphlet for House Joint Resolution 7 (2009) shall be:

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This measure would expand the number of veterans and surviving spouses who are eligible to receive low-interest home loans from the Oregon War Veterans' Fund. In 1944, by legislative referral, voters amended the Oregon Constitution to create the 'Oregon War Veterans' Fund' to provide low-interest home loans to some Oregon residents who served in the United States Armed Forces and their surviving spouses.

The Oregon Constitution currently requires that, to be eligible for a loan from the Oregon War Veterans' Fund, a person must have honorably served in active duty in the Armed Forces of the United States for 210 consecutive days (unless discharged from active duty due to service-related illness or injury) or must have seen combat. The person also must have been honorably discharged or separated from the Armed Forces. The veteran must apply for the loan within 30 years after the veteran was released from active duty. Loans are for primary residences and are made only to those who can show an ability to repay. Surviving spouses of veterans who died, became missing in action or became prisoners of war while in service also are eligible to receive loans under certain conditions.

Because veterans must apply for loans within 30 years of discharge, many Vietnam-era combat veterans who were honorably discharged are no longer eligible for the loans. Because of the requirement that a veteran serve for 210 consecutive days, many Oregon veterans who served in the military after the terrorist attacks of 9/11 and were honorably discharged are not eligible for the loans.

This measure would make the loans available to any Oregon veteran who has served under honorable conditions on active duty in the Armed Forces of the United States, as long as the veteran meets certain financial eligibility criteria. The measure uses the same definition of "veteran" as is used in Oregon law. The measure eliminates the constitutional requirement that loans be applied for within 30 years of discharge, making eligibility for a loan a lifetime benefit for veterans, as long as they meet the other qualification criteria. This measure also eliminates the requirement that a veteran serve for 210 continuous days. Under Oregon law, a person would be a "veteran" if the person completed at least 178 consecutive days of service or saw combat, and received an honorable discharge. This measure also makes the loans available to surviving spouses of veterans, regardless of whether the veteran resided in Oregon, if the deceased veteran meets certain eligibility criteria and the surviving spouse resides in Oregon at the time of application for the loan.

If this measure were to pass, more Oregon veterans and surviving spouses would be eligible to receive a low-interest home loan through the Oregon War Veterans' Fund.

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(4) Unless modified under section 13 of this 2009 Act, the explanatory statement contained in this section shall be printed in the voters' pamphlet.

**SECTION 6.** (1) Notwithstanding ORS 250.035, 250.067, 250.075 (2) and 250.085, the ballot title for House Joint Resolution 13 (2009) shall be:

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**REVISES CONSTITUTION: ALLOWS STATE TO ISSUE BONDS TO MATCH VOTER APPROVED SCHOOL DISTRICT BONDS FOR SCHOOL CAPITAL COSTS.**

**RESULT OF “YES” VOTE: “Yes” vote allows state to issue bonds to match voter approved school district bonds for school capital costs. Dedicates lottery funds for matching funds and repayment.**

**RESULT OF “NO” VOTE: “No” vote retains current law prohibiting state and restricting local districts from issuing bonds to pay for school capital costs, including acquisition, construction, repair and improvement.**

**SUMMARY: This measure would revise the Oregon Constitution to allow voters to approve local district bonds for school capital costs and the state to issue bonds and use the revenue from those bonds to help local school districts pay for capital costs. The Constitution currently limits voters’ ability to approve local district bonds for school capital costs and prevents the state from issuing bonds to help local districts pay for school capital costs. “Capital costs” include costs for acquisition, construction, repair and improvement, but not routine maintenance or supplies. State funds may be used only to match funds approved by voters in local districts. The measure would dedicate 15 percent of state lottery revenues to a “school capital matching fund” to repay state funds provided to districts. State bonds may not be repaid by raising property taxes. Contains other provisions.**

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(2) If a petition is filed under section 12 of this 2009 Act challenging the ballot title provided in subsection (1) of this section, the word limits described in ORS 250.035 (2) do not apply for the purposes of judicial review.

(3) Notwithstanding ORS 251.205, 251.215, 251.225, 251.230 and 251.235, the explanatory statement to be printed in the voters’ pamphlet for House Joint Resolution 13 (2009) shall be:

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The Oregon Constitution restricts the state’s authority to issue bonds or otherwise incur indebtedness. Oregon voters have approved 16 exceptions to this restriction, 14 of which are still in effect. The exceptions allow the state to issue bonds for a variety of purposes, including for home ownership loans to veterans, reforestation of state lands, construction of buildings for state universities and community colleges, housing for the elderly and disabled, pollution controls and seismic rehabilitation of public buildings. However, the restriction in the Constitution still prevents the state from issuing bonds or otherwise incurring indebtedness to assist local school districts in financing K-12 capital costs. The Constitution also limits the bonding authority of local taxing districts, including school districts.

This measure would revise the Oregon Constitution to allow the state to issue general obligation bonds to match voter approved bonds for K-12 school capital costs. The measure would accomplish this by adding two different provisions to the Constitution. The first new provision would allow local taxing districts to incur bonded indebtedness on or after January 1, 2011, to finance capital costs. Capital costs are defined to include the costs of land and other assets associated with acquisition, construction, improvement, remodeling, maintenance and repair. Capital costs do not include operating costs.

The second new provision would allow the state to issue general obligation bonds to provide funds to be granted or loaned to school districts to finance the capital costs of the school

**districts. The proceeds from the bonds could be used only to provide matching funds to finance the capital costs of school districts that have received voter approval to issue local government bonds. The state bonds may not be used to pay school district operating costs. Bonds issued by the state could not be repaid through property taxes.**

**This new constitutional provision also creates a “school capital matching fund” to pay for matching funds to school districts to finance capital costs and debt service on state bonds issued pursuant to this measure and repeals the current “school capital matching subaccount” in the “education stability fund.” Any existing funds in the school capital matching subaccount would be transferred to the new school capital matching fund, and that fund also would receive 15 percent of net lottery proceeds.**

**Under the measure, if residents of a local taxing district vote to approve bonds for school capital costs, the local taxing district would be eligible to receive matching funds from the state. This would allow the state to help pay for K-12 capital costs. The result would substantially reduce the costs to the local school district and its taxpayers to make capital improvements, such as constructing, repairing or maintaining school buildings.**

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**(4) Unless modified under section 13 of this 2009 Act, the explanatory statement contained in this section shall be printed in the voters’ pamphlet.**

**SECTION 7. (1) Except as provided in section 8 of this 2009 Act, if all or part of any Act of the Seventy-fifth Legislative Assembly is referred to the people by petition under section 1 (3)(b), Article IV of the Oregon Constitution, it shall be submitted to the people for their approval or rejection at a special election held throughout this state on the same date as the next primary election.**

**(2) Except as otherwise provided in this section, ORS chapters 250, 251 and 254 apply to an election held on a measure or part of a measure described in this section.**

**(3) Notwithstanding ORS 250.035, 250.067, 250.075 (2) and 250.085, the ballot title for a measure or part of a measure described in this section shall be prepared by the joint legislative committee created under section 14 of this 2009 Act and filed with the Secretary of State not later than the date set by the Secretary of State by rule. The word limits described in ORS 250.035 (2) do not apply to a ballot title prepared by the joint legislative committee under this subsection. Unless modified under section 12 of this 2009 Act, the ballot title prepared by the committee under this subsection shall be the ballot title printed in the voters’ pamphlet and printed on, or included with, the ballot.**

**(4) Notwithstanding ORS 251.205, 251.215, 251.225, 251.230 and 251.235, the explanatory statement to be printed in the voters’ pamphlet for a measure or part of a measure described in this section shall be prepared by the joint legislative committee created under section 14 of this 2009 Act and filed with the Secretary of State not later than the date set by the Secretary of State by rule. Unless modified under section 13 of this 2009 Act, the explanatory statement prepared by the committee under this subsection shall be the explanatory statement printed in the voters’ pamphlet.**

**SECTION 8. (1) Except as otherwise provided in sections 8 to 15 of this 2009 Act, ORS chapters 250, 251 and 254 apply to an election held on any part of chapter \_\_, Oregon Laws 2009 (Enrolled House Bill 2649), or chapter \_\_, Oregon Laws 2009 (Enrolled House Bill 3405).**

**(2) If any part of chapter \_\_, Oregon Laws 2009 (Enrolled House Bill 2649), or chapter \_\_, Oregon Laws 2009 (Enrolled House Bill 3405), is referred to the people by petition under section 1 (3)(b), Article IV of the Oregon Constitution, it shall be submitted to the people for their approval or rejection at a special election held throughout the state on January 26, 2010.**

(3) If any part of chapter \_\_\_, Oregon Laws 2009 (Enrolled House Bill 2649), or chapter \_\_\_, Oregon Laws 2009 (Enrolled House Bill 3405), is referred to the people by petition under section 1 (3)(b), Article IV of the Oregon Constitution, a special election shall be held throughout this state on January 26, 2010, as provided in sections 8 to 15 of this 2009 Act.

**SECTION 9.** If any part of chapter \_\_\_, Oregon Laws 2009 (Enrolled House Bill 2649), or chapter \_\_\_, Oregon Laws 2009 (Enrolled House Bill 3405), is referred to the people by petition under section 1 (3)(b), Article IV of the Oregon Constitution:

(1) Notwithstanding ORS 250.035, 250.067, 250.075 (2) and 250.085, the ballot title for the measure shall be prepared by the joint legislative committee created under section 14 of this 2009 Act and filed with the Secretary of State not later than the date set by the Secretary of State by rule. The word limits described in ORS 250.035 (2) do not apply to a ballot title prepared by the joint legislative committee under this subsection. Unless modified under section 12 of this 2009 Act, the ballot title prepared by the committee under this subsection shall be the ballot title printed in the voters' pamphlet and printed on, or included with, the ballot.

(2) Notwithstanding ORS 251.205, 251.215, 251.225, 251.230 and 251.235, the explanatory statement to be printed in the voters' pamphlet for the measure shall be prepared by the joint legislative committee created under section 14 of this 2009 Act and filed with the Secretary of State not later than the date set by the Secretary of State by rule. Unless modified under section 13 of this 2009 Act, the explanatory statement prepared by the committee under this subsection shall be the explanatory statement printed in the voters' pamphlet.

(3) The committee may begin preparation of the ballot title or explanatory statement on the date that a prospective petition to refer the measure or any part of the measure is filed with the Secretary of State under ORS 250.045.

(4)(a) Arguments relating to the measure may be filed with the Secretary of State under ORS 251.245 and 251.255, except that an argument must be filed not later than the date set by the Secretary of State by rule.

(b) Notwithstanding ORS 192.410 to 192.505 relating to public records, an argument filed under this subsection is exempt from public inspection until the fourth business day after the deadline for filing the argument.

(5) The financial estimate committee created under ORS 250.125 shall prepare and file with the Secretary of State the estimates described in ORS 250.125 and, if the committee considers it necessary, a statement explaining the financial effects of the measure as described in ORS 250.125, except that the committee shall prepare and file the estimates or statements not later than the date set by the Secretary of State by rule. The financial estimate committee may begin preparation of the estimate or statement on the date that a prospective petition to refer the measure or any part of the measure is filed with the Secretary of State under ORS 250.045.

(6) Notwithstanding ORS 250.131 (2), the Supreme Court shall conduct a review under ORS 250.131 if a petition is filed not later than the date set by the Secretary of State by rule.

**SECTION 10.** (1) The Secretary of State shall cause to be printed in the voters' pamphlet the number, ballot title and text of a measure or part of a measure described in section 8 of this 2009 Act and the financial estimate, explanatory statement and arguments relating to the measure or any part of a measure. The Secretary of State shall also cause to be printed in the voters' pamphlet any other material required by law. Notwithstanding ORS 251.026, the Secretary of State shall include in the voters' pamphlet the information or statements described in ORS 251.026 that the Secretary of State considers applicable to the election on a measure described in section 8 of this 2009 Act. Notwithstanding ORS 251.285 and subject to ORS 251.008, measures referred to in section 8 of this 2009 Act shall be the only measures included in the voters' pamphlet prepared under this section.

(2) Not later than the 10th day before the election, the Secretary of State shall cause the voters' pamphlet to be mailed to each post-office mailing address in Oregon and may use any additional means of distribution necessary to make the pamphlet available to electors.

(3) In preparing the voters' pamphlet under this section, the Secretary of State is not required to comply with ORS chapter 279B relating to competitive bidding.

(4) For purposes of sections 8 to 15 of this 2009 Act, the election referred to in ORS 251.295 is the special election held on the date specified in section 8 of this 2009 Act.

**SECTION 11.** (1) Notwithstanding the deadline in ORS 254.085, the Secretary of State shall prepare and deliver to each county clerk by the most expeditious means practicable a certified statement of a measure referred to in section 8 of this 2009 Act. The Secretary of State shall include with the statement the number, financial estimate and ballot title of the measure, and any other information required by law. The Secretary of State shall keep a copy of the statement.

(2) The county clerks shall print on the ballot the number, financial estimate and ballot title of the measure, along with any other material required by law. In lieu of printing the financial estimate, the summary portion of the ballot title or other material required by law on the ballot, a county clerk may include with the ballot the complete text of the ballot title, the financial estimate and any other material required by law.

**SECTION 12.** Notwithstanding ORS 250.085:

(1) Any elector dissatisfied with the ballot title for House Joint Resolution 7 (2009), House Joint Resolution 13 (2009) or a measure or part of a measure described in section 7 or 8 of this 2009 Act prepared by the joint legislative committee may petition the Supreme Court seeking a different ballot title. The petition shall state the reasons that the ballot title filed with the Secretary of State does not substantially comply with the requirements of ORS 250.035.

(2) The petition shall name the Attorney General as the respondent and must be filed:

(a) Not later than the fifth business day after the Legislative Assembly files the ballot title with the Secretary of State; or

(b) For House Joint Resolution 7 (2009) or House Joint Resolution 13 (2009), not later than the 30th day after the Seventy-fifth Legislative Assembly adjourns sine die.

(3) An elector filing a petition under this section shall notify the Secretary of State in writing that the petition has been filed. The notice must be received in the office of the Secretary of State not later than 5 p.m. on the next business day following the day the petition is filed.

(4) The Supreme Court shall review the title for substantial compliance with the requirements of ORS 250.035.

(5) The review by the Supreme Court shall be conducted expeditiously to ensure the orderly and timely conduct of the election at which the measure is to be submitted to the electors.

(6) If the Supreme Court determines that the ballot title prepared by the Legislative Assembly substantially complies with the requirements of ORS 250.035, the court shall certify the title to the Secretary of State. If the Supreme Court determines that the ballot title prepared by the Legislative Assembly does not substantially comply with the requirements of ORS 250.035, the court shall refer the ballot title to the Attorney General for modification.

(7) Not later than five business days after the Supreme Court refers a ballot title to the Attorney General for modification under this section, the Attorney General shall certify a modified ballot title to the Secretary of State.

**SECTION 13.** Notwithstanding ORS 251.235:

(1) Any person dissatisfied with the explanatory statement for House Joint Resolution 7 (2009), House Joint Resolution 13 (2009) or a measure or part of a measure described in section 7 or 8 of this 2009 Act prepared by the joint legislative committee may petition the Su-

preme Court seeking a different statement and stating the reasons the statement filed with the court is insufficient or unclear.

(2) The court shall review the statement and certify an explanatory statement to the Secretary of State if the petition is filed and served as required in subsection (4) of this section:

(a) Not later than the fifth business day after the Legislative Assembly files the explanatory statement with the Secretary of State; or

(b) For House Joint Resolution 7 (2009) or House Joint Resolution 13 (2009), not later than the 30th day after the Seventy-fifth Legislative Assembly adjourns sine die.

(3) Failure to file and serve the petition within the time prescribed in subsection (2) of this section precludes Supreme Court review and certification of an explanatory statement. If the court considers the petition, the court may allow oral argument. The review by the Supreme Court shall be conducted expeditiously to ensure the orderly and timely conduct of the election at which the measure is to be submitted to the electors. The statement certified by the court shall be the explanatory statement printed in the voters' pamphlet.

(4) At the time a person petitions the Supreme Court under subsection (1) of this section, the person also shall serve a copy of the petition on:

(a) The Attorney General;

(b) The Legislative Assembly; and

(c) The chief petitioners of the measure.

**SECTION 14.** (1) A joint legislative committee consisting of three Senators and three Representatives shall be appointed to prepare the ballot titles and explanatory statements as described in sections 7 and 9 of this 2009 Act.

(2)(a) The President of the Senate shall appoint three members from among members of the Senate, two from the majority party and one from the minority party.

(b) The Speaker of the House of Representatives shall appoint three members from among members of the House of Representatives, two from the majority party and one from the minority party.

**SECTION 15.** The Secretary of State shall adopt rules governing the procedures for conducting the election on a measure or any part of a measure described in sections 7 and 9 of this 2009 Act as may be necessary to implement sections 7 to 15 of this 2009 Act.

**SECTION 16.** (1) In addition to and not in lieu of any other appropriation, there is appropriated to the Emergency Board, for the biennium beginning July 1, 2009, out of the General Fund, the amount of \$2,000,000, to be allocated to the Secretary of State for costs associated with a statewide special election that may be held on January 26, 2010.

(2) If any of the moneys appropriated by subsection (1) of this section are not allocated by the Emergency Board prior to December 1, 2010, the moneys remaining on that date become available for any purpose for which the Emergency Board lawfully may allocate funds.

**SECTION 17.** This 2009 Act being necessary for the immediate preservation of the public peace, health and safety, an emergency is declared to exist, and this 2009 Act takes effect on its passage.

**Passed by House March 31, 2009**

**Repassed by House June 29, 2009**

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Chief Clerk of House

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Speaker of House

**Passed by Senate June 29, 2009**

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President of Senate

**Received by Governor:**

.....M,....., 2009

**Approved:**

.....M,....., 2009

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Governor

**Filed in Office of Secretary of State:**

.....M,....., 2009

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Secretary of State