

Senate Bill 5534

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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**.

Maintains lottery revenues available to benefit public purposes during biennium beginning July 1, 2009, in Administrative Services Economic Development Fund. Allocates moneys from fund for biennium beginning July 1, 2009.

Directs Oregon Department of Administrative Services to establish process for quarterly allocations of moneys from Administrative Services Economic Development Fund.

Transfers certain interest earnings from Oregon Education Fund to Lottery Bond Fund for payments by Department of Education on education lottery bonds.

Declares emergency, effective July 1, 2009.

A BILL FOR 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, 2009, 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, 2009, and thereafter are reserved to meet the commitments of this 2009 Act.

SECTION 3. The following amounts are allocated for the biennium beginning July 1, 2009, from the Administrative Services Economic Development Fund, to the Economic and Community Development Department, for the following purposes:

- (1) Shared services..... \$ 7,729,572
- (2) Business, innovation, trade \$ 42,158,201
- (3) Infrastructure Finance Authority \$ 121,642
- (4) Oregon Film and Video Office .. \$ 1,267,582
- (5) Principal and interest payments on lottery revenue bonds..... \$ 68,840,332

SECTION 4. There is allocated for the biennium beginning July 1, 2009, from the Administrative Services Economic Development Fund, to the Department of Education, for the State School Fund, the amount of \$539,063,144.

SECTION 5. There is allocated for the biennium beginning July 1, 2009, from the Administrative Services Economic Development Fund, to the Department of Transportation, the amount of \$104,902,804 for the purposes of paying, when due, the principal, interest and premium, if any, on outstanding lottery bonds for rail projects, rail infrastructure assistance

Note: For budget, see 2009-2011 Biennial Budget

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 and multimodal transportation infrastructure projects and on any bonds issued to refund
2 such lottery bonds, of funding reserves for any of those bonds and of paying related costs
3 of the department.

4 **SECTION 6.** Pursuant to ORS 461.549, there is allocated for the biennium beginning July
5 1, 2009, from the Administrative Services Economic Development Fund, to the Problem
6 Gambling Treatment Fund, for distribution to counties for treatment of gambling addiction,
7 the amount of \$13,109,503.

8 **SECTION 7.** There is allocated for the biennium beginning July 1, 2009, from the Admin-
9 istrative Services Economic Development Fund, to the Department of Education, for the
10 Lottery Bond Fund for the purpose of paying, when due, the principal, interest and premium,
11 if any, on outstanding education lottery bonds, the amount of \$39,685,071.

12 **SECTION 8.** There is transferred to the Lottery Bond Fund for the biennium beginning
13 July 1, 2009, out of the Oregon Education Fund, 100 percent of the declared earnings on the
14 Education Stability Fund that are transferred to the Oregon Education Fund during the
15 biennium beginning July 1, 2009, to be used by the Department of Education for the purposes
16 of maintaining cash flow and paying, when due, the principal, interest and premium, if any,
17 on outstanding education lottery bonds.

18 **SECTION 9.** There is allocated for the biennium beginning July 1, 2009, from the Admin-
19 istrative Services Economic Development Fund, to the Housing and Community Services
20 Department, for the purpose of paying, when due, the principal, interest and premium, if any,
21 on outstanding lottery bonds, the amount of \$8,937,854.

22 **SECTION 10.** There is allocated for the biennium beginning July 1, 2009, from the Ad-
23 ministrative Services Economic Development Fund, to the Oregon Department of Adminis-
24 trative Services, for transfer to the State Department of Agriculture, the amount of \$35,972
25 for the purpose of supporting the administration of county fairs in this state.

26 **SECTION 11.** Pursuant to ORS 565.447, there is allocated for the biennium beginning July
27 1, 2009, from the Administrative Services Economic Development Fund, to the Oregon De-
28 partment of Administrative Services, the amount of \$3,813,569 for the purpose of supporting
29 county fairs in this state. Funds allocated under this section shall be deposited in the County
30 Fair Account established by ORS 565.445.

31 **SECTION 12.** There is allocated for the biennium beginning July 1, 2009, from the Ad-
32 ministrative Services Economic Development Fund, to the Oregon Department of Adminis-
33 trative Services, the amount of \$1,883,170 for the purpose of paying, when due, the principal,
34 interest and premium, if any, and bond-related costs on outstanding lottery bonds issued to
35 finance equipment modernization for public broadcasting in Oregon.

36 **SECTION 13.** There is allocated for the biennium beginning July 1, 2009, from the Ad-
37 ministrative Services Economic Development Fund, to the Department of Higher Education,
38 the amount of \$19,739,466 for the purpose of paying, when due, the principal, interest and
39 premium, if any, on outstanding lottery bonds issued to finance facilities construction and
40 deferred maintenance projects.

41 **SECTION 14.** There is allocated for the biennium beginning July 1, 2009, from the Ad-
42 ministrative Services Economic Development Fund, to the office of the Governor, the
43 amount of \$2,384,958 for expenses of the Economic Revitalization Team.

44 **SECTION 15.** For the purpose of carrying out the provisions of ORS 461.543 (4), there is
45 allocated for the biennium beginning July 1, 2009, from the Administrative Services Economic

1 Development Fund, to the Sports Lottery Account, the amount of \$13,109,503.

2 **SECTION 16.** There is allocated for the biennium beginning July 1, 2009, from the Ad-
3 ministrative Services Economic Development Fund, to the Oregon Department of Adminis-
4 trative Services, the amount of \$44,442,726 for distribution to counties for economic
5 development activities as provided by ORS 461.547.

6 **SECTION 17.** There is allocated for the biennium beginning July 1, 2009, from the Ad-
7 ministrative Services Economic Development Fund, to the Water Resources Department, the
8 amount of \$224,354 for the purpose of paying, when due, the principal, interest and premium,
9 if any, on outstanding lottery bonds issued to finance water supply projects.

10 **SECTION 18.** (1) The Oregon Department of Administrative Services shall establish by
11 rule a process for allocating available moneys in the Administrative Services Economic De-
12 velopment Fund on a quarterly basis to fulfill the biennial allocations made in this 2009 Act.
13 All quarterly allocations shall be set by the Oregon Department of Administrative Services.

14 (2) If, in any quarter, the moneys transferred from the State Lottery Fund to the Ad-
15 ministrative Services Economic Development Fund are insufficient to pay for the quarterly
16 allocations made under this 2009 Act, the Oregon Department of Administrative Services:

17 (a) Shall satisfy the debt service obligations for Westside Light Rail in the amount of
18 \$2,863,158 prior to making any other allocations pursuant to this 2009 Act.

19 (b) Subject to paragraph (a) of this subsection, prior to making any other allocations
20 pursuant to this 2009 Act, shall satisfy debt service obligations in the following amounts:

- 21 (A) Economic and Community
- 22 Development Department \$ 68,840,332
- 23 (B) Department of Education \$ 39,685,071
- 24 (C) Housing and Community Services
- 25 Department..... \$ 8,937,854
- 26 (D) Oregon Department of
- 27 Administrative Services..... \$ 1,883,170
- 28 (E) Department of Higher
- 29 Education..... \$ 19,739,465
- 30 (F) Department of Transportation
- 31 for rail and infrastructure
- 32 projects \$102,039,646
- 33 (G) Water Resources Department .. \$ 224,354

34 (3) After the debt service obligations described in subsection (2) of this section are sat-
35 isfied, if the remaining moneys transferred from the State Lottery Fund to the Administra-
36 tive Services Economic Development Fund are insufficient to pay for the quarterly
37 allocations made under this 2009 Act, the allocations shall be reduced proportionately in
38 sufficient amounts to accommodate the revenue shortfall.

39 **SECTION 19.** This 2009 Act being necessary for the immediate preservation of the public
40 peace, health and safety, an emergency is declared to exist, and this 2009 Act takes effect
41 July 1, 2009.