

# A-Engrossed House Bill 5035

Ordered by the House June 29  
Including House Amendments dated June 29

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

## 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.

Maintains **and reserves** lottery revenues available to benefit public purposes during biennium beginning July 1, 2011, in Administrative Services Economic Development Fund. Allocates moneys from fund for biennium beginning July 1, 2011.

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, 2011.

## A BILL FOR AN ACT

Relating to state financial administration; and declaring an emergency.

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

**SECTION 1. During the biennium beginning July 1, 2011, 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, 2011, and thereafter are reserved to meet the commitments of this 2011 Act.**

**SECTION 3. The following amounts are allocated for the biennium beginning July 1, 2011, from the Administrative Services Economic Development Fund, to the Oregon Business Development Department, for the following purposes:**

- (1) Shared services..... \$ 6,822,694
- (2) Business, innovation, trade ..... \$ 45,534,264
- (3) Oregon Film and Video Office .. \$ 1,207,893

**SECTION 4. There is allocated for the biennium beginning July 1, 2011, from the Administrative Services Economic Development Fund, to the Department of Education, for the State School Fund, the amount of \$374,741,287.**

**SECTION 5. There is transferred to the Lottery Bond Fund for the biennium beginning July 1, 2011, 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, 2011, 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.**

**Note: For budget, see 2011-2013 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       **SECTION 6.** There is allocated for the biennium beginning July 1, 2011, from the Admin-  
2       istrative Services Economic Development Fund, to the office of the Governor, the amount  
3       of \$1,856,674 for expenses of the Economic Revitalization Team.

4       **SECTION 7.** (1) The Oregon Department of Administrative Services shall establish a  
5       process for allocating available moneys in the Administrative Services Economic Develop-  
6       ment Fund on a quarterly basis to fulfill the biennial allocations made by this 2011 Act. The  
7       department shall set the quarterly allocations.

8       (2) If, in any quarter, the moneys transferred from the State Lottery Fund to the Ad-  
9       ministrative Services Economic Development Fund are insufficient to pay for the quarterly  
10      allocations made by this 2011 Act, prior to making any other allocations pursuant to this 2011  
11      Act, the department shall satisfy lottery bond debt service obligations in the amount of  
12      \$240,443,627, as follows:

13      (a) For outstanding lottery bonds.. \$238,307,273

14      (b) For lottery bonds to be issued.. \$ 2,136,354

15      (3) After the lottery bond debt service obligations described in subsection (2) of this  
16      section are satisfied, if the remaining moneys transferred from the State Lottery Fund to  
17      the Administrative Services Economic Development Fund are insufficient to pay for the  
18      quarterly allocations made by this 2011 Act, the department shall reduce allocations propor-  
19      tionately in amounts sufficient to accommodate the revenue shortfall.

20      **SECTION 8.** (1) There is allocated for the biennium beginning July 1, 2011, from the Ad-  
21      ministrative Services Economic Development Fund, to the Oregon Department of Adminis-  
22      trative Services, the amount of \$238,307,273 for the purpose of paying, when due, the  
23      principal, interest and premium, if any, on outstanding lottery bonds, as described in section  
24      7 of this 2011 Act.

25      (2) There is allocated for the biennium beginning July 1, 2011, from the Administrative  
26      Services Economic Development Fund, to the Oregon Department of Administrative Ser-  
27      vices, the amount of \$2,136,354 for the purpose of paying, when due, the principal, interest  
28      and premium, if any, on lottery bonds issued in the biennium beginning July 1, 2011, as de-  
29      scribed in section 7 of this 2011 Act.

30      **SECTION 9.** Notwithstanding and in lieu of the requirement in ORS 461.543 (4) for a  
31      percentage-based transfer of moneys, for the biennium beginning July 1, 2011, the amount  
32      allocated from the Administrative Services Economic Development Fund to the Sports Lot-  
33      tery Account is \$8,825,680.

34      **SECTION 10.** Notwithstanding and in lieu of the requirement in ORS 461.547 (1) for a  
35      percentage-based transfer of moneys, for the biennium beginning July 1, 2011, the amount  
36      allocated from the Administrative Services Economic Development Fund to the Oregon De-  
37      partment of Administrative Services is \$37,118,584 for distribution to counties for economic  
38      development activities as provided by ORS 461.547.

39      **SECTION 11.** Notwithstanding and in lieu of the requirement in ORS 461.549 (2) for a  
40      percentage-based transfer of moneys, for the biennium beginning July 1, 2011, the amount  
41      allocated from the Administrative Services Economic Development Fund to the Problem  
42      Gambling Treatment Fund is \$10,972,521.

43      **SECTION 12.** Notwithstanding and in lieu of the requirement in ORS 565.447 for a  
44      percentage-based transfer of moneys, for the biennium beginning July 1, 2011, the amount  
45      allocated from the Administrative Services Economic Development Fund to the County Fair

1 **Account established by ORS 565.445 is \$3,600,135.**

2 **SECTION 13. There is allocated for the biennium beginning July 1, 2011, from the Ad-**  
3 **ministrative Services Economic Development Fund, to the Oregon Department of Adminis-**  
4 **trative Services, for transfer to the State Department of Agriculture, the amount of \$18,354**  
5 **for the purpose of supporting the administration of county fairs in this state.**

6 **SECTION 14. This 2011 Act being necessary for the immediate preservation of the public**  
7 **peace, health and safety, an emergency is declared to exist, and this 2011 Act takes effect**  
8 **July 1, 2011.**

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