

**Enrolled**  
**House Bill 5035**

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)

CHAPTER .....

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.

**SECTION 6.** There is allocated for the biennium beginning July 1, 2011, from the Administrative Services Economic Development Fund, to the office of the Governor, the amount of \$1,856,674 for expenses of the Economic Revitalization Team.

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

(2) If, in any quarter, the moneys transferred from the State Lottery Fund to the Administrative Services Economic Development Fund are insufficient to pay for the quarterly allocations made by this 2011 Act, prior to making any other allocations pursuant to this 2011

Act, the department shall satisfy lottery bond debt service obligations in the amount of \$240,443,627, as follows:

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

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

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

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

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

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

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

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

**SECTION 12.** Notwithstanding and in lieu of the requirement in ORS 565.447 for a percentage-based transfer of moneys, for the biennium beginning July 1, 2011, the amount allocated from the Administrative Services Economic Development Fund to the County Fair Account established by ORS 565.445 is \$3,600,135.

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

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

**Passed by House June 30, 2011**

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Ramona Kenady Line, Chief Clerk of House

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Bruce Hanna, Speaker of House

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Arnie Roblan, Speaker of House

**Passed by Senate June 30, 2011**

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Peter Courtney, President of Senate

**Received by Governor:**

.....M,....., 2011

**Approved:**

.....M,....., 2011

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John Kitzhaber, Governor

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

.....M,....., 2011

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Kate Brown, Secretary of State