

# 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)

## 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, 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; 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, 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..... \$ 7,393,006
- (2) Business, innovation, trade ..... \$ 57,603,194
- (3) Oregon Film and Video Office .. \$ 1,251,703
- (4) Principal and interest  
payments on outstanding lottery  
revenue bonds..... \$ 89,987,507

**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 \$371,918,440.**

**SECTION 5. There is allocated for the biennium beginning July 1, 2011, from the Administrative Services Economic Development Fund, to the Department of Transportation, the amount of \$83,787,784 for the purposes of paying, when due, the principal, interest and premium, if any, on outstanding lottery bonds for rail projects, rail infrastructure assistance and multimodal transportation infrastructure projects and on any bonds issued to refund such lottery bonds, of funding reserves for any of those bonds and of paying related costs**

**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 of the department.

2 **SECTION 6.** There is allocated for the biennium beginning July 1, 2011, from the Admin-  
3 istrative Services Economic Development Fund, to the Department of Education, for deposit  
4 in the Lottery Bond Fund for the purpose of paying, when due, the principal, interest and  
5 premium, if any, on outstanding education lottery bonds, the amount of \$48,237,443.

6 **SECTION 7.** There is transferred to the Lottery Bond Fund for the biennium beginning  
7 July 1, 2011, out of the Oregon Education Fund, 100 percent of the declared earnings on the  
8 Education Stability Fund that are transferred to the Oregon Education Fund during the  
9 biennium beginning July 1, 2011, to be used by the Department of Education for the purposes  
10 of maintaining cash flow and paying, when due, the principal, interest and premium, if any,  
11 on outstanding education lottery bonds.

12 **SECTION 8.** There is allocated for the biennium beginning July 1, 2011, from the Admin-  
13 istrative Services Economic Development Fund, to the Housing and Community Services  
14 Department, for the purpose of paying, when due, the principal, interest and premium, if any,  
15 on outstanding lottery bonds, the amount of \$11,205,210.

16 **SECTION 9.** There is allocated for the biennium beginning July 1, 2011, from the Admin-  
17 istrative Services Economic Development Fund, to the Oregon Department of Administrative  
18 Services, for transfer to the State Department of Agriculture, the amount of \$20,166 for the  
19 purpose of supporting the administration of county fairs in this state.

20 **SECTION 10.** 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 \$8,119,488 for the purpose of paying, when due, the principal,  
23 interest and premium, if any, and bond-related costs on outstanding lottery bonds issued to  
24 finance equipment modernization for public broadcasting in Oregon and for pass-through  
25 payments.

26 **SECTION 11.** There is allocated for the biennium beginning July 1, 2011, from the Ad-  
27 ministrative Services Economic Development Fund, to the Oregon University System, the  
28 amount of \$16,484,979 for the purpose of paying, when due, the principal, interest and pre-  
29 mium, if any, on outstanding lottery bonds issued to finance facilities construction and de-  
30 ferred maintenance projects.

31 **SECTION 12.** There is allocated for the biennium beginning July 1, 2011, from the Ad-  
32 ministrative Services Economic Development Fund, to the Department of Community Col-  
33 leges and Workforce Development, the amount of \$7,428,316 for the purpose of paying, when  
34 due, the principal, interest and premium, if any, on outstanding lottery bonds issued to fi-  
35 nance facilities construction and deferred maintenance projects.

36 **SECTION 13.** There is allocated for the biennium beginning July 1, 2011, from the Ad-  
37 ministrative Services Economic Development Fund, to the office of the Governor, the  
38 amount of \$1,941,910 for expenses of the Economic Revitalization Team.

39 **SECTION 14.** There is allocated for the biennium beginning July 1, 2011, from the Ad-  
40 ministrative Services Economic Development Fund, to the Oregon Department of Adminis-  
41 trative Services, the amount of \$37,822,967 for distribution to counties for economic  
42 development activities as provided by ORS 461.547.

43 **SECTION 15.** There is allocated for the biennium beginning July 1, 2011, from the Ad-  
44 ministrative Services Economic Development Fund, to the Water Resources Department, the  
45 amount of \$573,739 for the purpose of paying, when due, the principal, interest and premium,

1 if any, on lottery bonds issued to finance grants for qualifying costs of planning and the  
 2 creation of water storage projects, administration and the development of an integrated wa-  
 3 ter resources strategy.

4 **SECTION 16.** There is allocated for the biennium beginning July 1, 2011, from the Ad-  
 5 ministrative Services Economic Development Fund, to the State Forestry Department, the  
 6 amount of \$2,356,487 for the purpose of paying, when due, the principal, interest and pre-  
 7 mium, if any, on lottery bonds issued for land acquisition.

8 **SECTION 17.** There is allocated for the biennium beginning July 1, 2011, from the Ad-  
 9 ministrative Services Economic Development Fund, to the State Department of Energy, the  
 10 amount of \$2,154,998 for the purpose of paying, when due, the principal, interest and pre-  
 11 mium, if any, on lottery bonds issued for the Loan Offset Grant Fund established under ORS  
 12 470.575.

13 **SECTION 18.** (1) The Oregon Department of Administrative Services shall establish a  
 14 process for allocating available moneys in the Administrative Services Economic Develop-  
 15 ment Fund on a quarterly basis to fulfill the biennial allocations made in this 2011 Act. All  
 16 quarterly allocations shall be set by the Oregon Department of Administrative Services.

17 (2) If, in any quarter, the moneys transferred from the State Lottery Fund to the Ad-  
 18 ministrative Services Economic Development Fund are insufficient to pay for the quarterly  
 19 allocations made under this 2011 Act, the Oregon Department of Administrative Services  
 20 shall satisfy debt service obligations in the following amounts prior to making any other al-  
 21 locations pursuant to this 2011 Act:

- 22 (a) Oregon Business  
 23 Development Department ..... \$ 89,987,507
- 24 (b) Department of Education ..... \$ 48,237,443
- 25 (c) Housing and Community Services  
 26 Department..... \$ 11,205,210
- 27 (d) Oregon Department of  
 28 Administrative Services..... \$ 8,119,488
- 29 (e) Oregon University System..... \$ 16,484,979
- 30 (f) Department of Transportation  
 31 for rail and infrastructure  
 32 projects ..... \$ 83,787,784
- 33 (g) Water Resources Department .. \$ 573,739
- 34 (h) Department of Community  
 35 Colleges and Workforce  
 36 Development ..... \$ 7,428,316
- 37 (i) State Department of Energy .... \$ 2,154,998
- 38 (j) State Forestry Department ..... \$ 2,356,487

39 (3) After the debt service obligations described in subsection (2) of this section are sat-  
 40 isfied, if the remaining moneys transferred from the State Lottery Fund to the Administra-  
 41 tive Services Economic Development Fund are insufficient to pay for the quarterly  
 42 allocations made under this 2011 Act, the allocations shall be reduced proportionately in  
 43 sufficient amounts to accommodate the revenue shortfall.

44 **SECTION 19.** This 2011 Act being necessary for the immediate preservation of the public  
 45 peace, health and safety, an emergency is declared to exist, and this 2011 Act takes effect

1 **July 1, 2011.**

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