

A-Engrossed
House Bill 5036

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.

Increases amount of lottery bonds authorized to be issued by Oregon Business Development Department.

Authorizes issuance of lottery bonds for Oregon University System for capital construction and capital renewal, code compliance and safety projects.

Increases amount of lottery bonds authorized to be issued by Housing and Community Services Department to provide financial assistance to aid in acquisition, renovation or maintenance of section 8 or other housing with federal rent subsidies.

Authorizes issuance of lottery bonds for Water Resources Department to provide grants for **feasibility studies for water conservation, reuse and storage projects** [*improvements to drinking water systems, irrigation, drainage, fish protection or watershed enhancement, to assist local governments to mitigate losses resulting from reduced water supply for irrigation and retirement of water rights and to provide assistance in developing and obtaining renewable energy resources*].

[*Authorizes issuance of lottery bonds for Department of Education for development of data system to provide information on development and needs of children in Oregon and to facilitate identification, and evaluate efficacy, of appropriate resources.*]

[*Establishes Department of Education Early Childhood Data System Fund. Appropriates moneys from fund for development of data system to provide information on development and needs of children in Oregon and to facilitate identification, and evaluate efficacy, of appropriate resources.*]

[*Authorizes issuance of lottery bonds for Oregon Department of Administrative Services for development of human resources information data system.*]

[*Establishes Oregon Department of Administrative Services Human Resources Information Data System Fund. Appropriates moneys from fund for development of human resources information data system.*]

[*Authorizes issuance of lottery bonds for Oregon Department of Administrative Services for development of performance management data system.*]

[*Establishes Oregon Department of Administrative Services Performance Management Data System Fund. Appropriates moneys from fund for development of performance management data system.*]

Authorizes issuance of lottery bonds for disbursement to Port of Morrow for purpose of Willow Creek/SAGE Center improvements, for disbursement to City of Hermiston for purpose of acquiring, developing, constructing and equipping Eastern Oregon Trade Center, for disbursement to Milton-Freewater Water Control District for public infrastructure improvements, for disbursement to Lane Transit District for West Eugene EmX Extension, for disbursement to Oregon Historical Society for payment of costs associated with mortgage on society's storage facility, for purpose of acquiring parcels in Gilchrist area of Klamath County, for purpose of acquiring, developing, constructing and equipping Roseburg Veterans' Home, and for purpose of financing grants and loans for transportation projects. Establishes regions to receive portion of grants and loans for transportation projects.

Establishes funds, or provides for deposit of moneys into existing funds, and appropriates moneys for projects financed.

Declares emergency, effective July 1, 2011.

A BILL FOR AN ACT

1
2 Relating to lottery bonds; creating new provisions; amending ORS 285B.551 and sections 4, 10, 14
3 and 29, chapter 906, Oregon Laws 2009; repealing section 15, chapter 30, Oregon Laws 2010;
4 appropriating money; and declaring an emergency.

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

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 1.** ORS 285B.551 is amended to read:

2 285B.551. (1) Pursuant to ORS 286A.560 to 286A.585, at the request of the Oregon Department
3 of Administrative Services, after the department consults with the Oregon Business Development
4 Department, the State Treasurer is authorized to issue lottery bonds:

5 (a) To provide financial and other assistance, including but not limited to loans and grants, to
6 municipalities, ports and other persons and entities in accordance with the laws governing use of
7 moneys in the Special Public Works Fund created by ORS 285B.455, the Water Fund created by ORS
8 285B.563, the Safe Drinking Water Revolving Loan Fund created by ORS 285A.213, the Oregon Port
9 Revolving Fund created by ORS 285A.708, the Brownfields Redevelopment Fund created by ORS
10 285A.188, the Oregon Business Development Fund created by ORS 285B.092 and the Marine Navi-
11 gation Improvement Fund created by ORS 777.267.

12 (b) To fund Oregon's share of the costs of the Columbia River channel deepening project.

13 (c) To fund Oregon's share of the costs of studies and ecosystem restoration projects in the
14 lower Columbia River estuary designed to improve habitat for listed endangered or threatened spe-
15 cies of Columbia River anadromous salmonids.

16 (2) The use of lottery bond proceeds is authorized based on the following findings:

17 (a) The financial and other assistance to municipalities, ports and other persons and entities
18 will assist in the establishment and expansion of businesses in Oregon and in the construction, im-
19 provement and expansion of infrastructure, community and port facilities and other facilities that
20 comprise the physical foundation for industrial and commercial activity and provide the basic
21 framework for continued and expanded economic opportunities and quality communities throughout
22 Oregon.

23 (b) The Columbia River channel deepening project is necessary to allow newer, larger
24 steamships access to Oregon and Washington deep draft ports. A deeper shipping channel will allow
25 the Columbia River to continue as a world leader in agricultural exports and as a key trade corridor
26 for farms and businesses throughout Oregon and the region.

27 (c) Such financial and other assistance to municipalities, ports and other persons and entities
28 and the deepening of the Columbia River channel will therefore promote economic development
29 within this state, and thus the use of net proceeds derived from the operation of the Oregon State
30 Lottery to pay debt service on lottery bonds issued under this section to provide such financial and
31 other assistance to municipalities, ports and other persons and entities and to pay a portion of the
32 costs of deepening the Columbia River channel is an authorized use of state lottery funds under
33 section 4, Article XV of the Oregon Constitution, and ORS 461.510.

34 (d) The current lower Columbia River estuary habitat for listed endangered or threatened spe-
35 cies of Columbia River anadromous salmonids could be improved through ecosystem restoration
36 projects. The use of the Oregon State Lottery to pay debt service on lottery bonds issued under this
37 section to pay for studying how the estuary could be improved and to pay for ecosystem restoration
38 projects are authorized uses of state lottery funds.

39 (3)(a) The aggregate principal amount of lottery bonds issued pursuant to subsection (1)(a) of
40 this section for financial and other assistance to municipalities, ports and other persons and entities
41 may not exceed the sum of [~~\$266,226,252~~] **\$276,226,252** and an additional amount estimated by the
42 State Treasurer to be necessary to pay bond-related costs. The aggregate principal amount of lottery
43 bonds issued pursuant to subsection (1)(b) of this section for the Columbia River channel deepening
44 project may not exceed the sum of \$17.7 million and an additional amount estimated by the State
45 Treasurer to be necessary to pay bond-related costs.

1 (b) The Oregon Department of Administrative Services may not request the issuance of lottery
2 bonds under subsection (1)(b) of this section until the Director of the Oregon Business Development
3 Department determines that a final environmental impact statement has been issued and a record
4 of decisions has been submitted to Congress by the United States Army Corps of Engineers, Con-
5 gress has authorized the Columbia River channel deepening project, and the Washington sponsors'
6 shares of the costs of the Columbia River channel deepening project have been committed.

7 (4) The net proceeds of lottery bonds issued pursuant to subsection (1)(a) and (b) of this section
8 shall be deposited in the Economic Infrastructure Project Fund, which is hereby established in the
9 State Treasury separate and distinct from the General Fund. Interest earned by the Economic
10 Infrastructure Project Fund shall be credited to the fund. All moneys in the Economic Infrastructure
11 Project Fund are continuously appropriated to the Oregon Business Development Department for
12 any purpose for which moneys in the Special Public Works Fund created by ORS 285B.455 may be
13 used, any purpose for which moneys in the Water Fund created by ORS 285B.563 may be used, any
14 purpose for which moneys in the Safe Drinking Water Revolving Loan Fund created by ORS
15 285A.213 may be used, any purpose for which moneys in the Oregon Port Revolving Fund created
16 by ORS 285A.708 may be used, any purpose for which moneys in the Brownfields Redevelopment
17 Fund created by ORS 285A.188 may be used, any purpose for which moneys in the Oregon Business
18 Development Fund created by ORS 285B.092 may be used and any purpose for which moneys in the
19 Marine Navigation Improvement Fund created by ORS 777.267 may be used. The Director of the
20 Oregon Business Development Department shall allocate the moneys deposited in the Economic
21 Infrastructure Project Fund for the purposes described in this subsection in accordance with the
22 priorities developed by the Oregon Business Development Commission in accordance with ORS
23 285A.020. However, the director shall transfer from the Economic Infrastructure Project Fund and
24 deposit into the Channel Deepening Account of the Marine Navigation Improvement Fund the pro-
25 ceeds of any lottery bonds sold to finance a portion of the costs of the Columbia River channel
26 deepening project. Upon determining the relative allocation of moneys deposited in the Economic
27 Infrastructure Project Fund among the purposes described in this subsection, the director shall
28 transfer from the Economic Infrastructure Project Fund, and deposit into each of the other funds
29 described in this subsection, the amounts so allocated. Notwithstanding any other provision of law
30 governing the funds described in this subsection, the funds described in this subsection may be
31 credited with moneys transferred from the Economic Infrastructure Project Fund by the director in
32 accordance with this subsection.

33 (5) The aggregate principal amount of lottery bonds issued pursuant to subsection (1)(c) of this
34 section for the costs of studies and ecosystem restoration projects in the lower Columbia River
35 estuary may not exceed the sum of \$750,000 and an additional amount estimated by the State
36 Treasurer to be necessary to pay bond-related costs. The net proceeds of lottery bonds issued pur-
37 suant to subsection (1)(c) of this section shall be deposited in the Oregon Business, Innovation and
38 Trade Fund created by ORS 285A.227 and may be used only for the Oregon nonfederal share of
39 United States Army Corps of Engineers Columbia River estuary projects authorized by Congress
40 prior to August 9, 2001. The director may not request the issuance of lottery bonds under subsection
41 (1)(c) of this section until Congress and Washington have authorized their respective shares of the
42 costs of the studies and ecosystem restoration projects in the lower Columbia River estuary.

43 (6) The proceeds of lottery bonds issued pursuant to this section may be used only for the pur-
44 poses set forth in this section and for bond-related costs.

45 **SECTION 2. (1) Pursuant to ORS 286A.560 to 286A.585, at the request of the Oregon De-**

1 department of Administrative Services, after the department consults with the Oregon Uni-
2 versity System, the State Treasurer is authorized to issue lottery bonds for capital
3 construction, deferred maintenance and capital renewal, code compliance and safety projects.

4 (2) The use of lottery bond proceeds is authorized based on the following findings:

5 (a) New buildings and facilities are needed in order for universities to have adequate fa-
6 cilities for teaching.

7 (b) Having adequate university buildings and facilities is essential to Oregon's healthy
8 economic growth.

9 (c) Major subsystems within university buildings are wearing out and must be replaced
10 in order for universities to have adequate facilities for teaching.

11 (d) Having safe and fully functioning university facilities is essential to Oregon's healthy
12 economic growth.

13 (3) The aggregate principal amount of lottery bonds issued pursuant to subsection (1) of
14 this section by the State Treasurer for:

15 (a) Capital construction, including deferred maintenance, may not exceed the amount of
16 \$87,479,000 and an additional amount estimated by the State Treasurer to be necessary to pay
17 bond-related costs as defined in ORS 286A.560.

18 (b) Capital renewal, code compliance and safety projects may not exceed the amount of
19 \$25 million and an additional amount estimated by the State Treasurer to be necessary to
20 pay bond-related costs as defined in ORS 286A.560.

21 (4) Of the net proceeds of lottery bonds issued pursuant to this section for the biennium
22 beginning July 1, 2011, an amount not to exceed:

23 (a) \$25 million shall be deposited into the Oregon University System Capital Construction,
24 Deferred Maintenance and Capital Repair Project Fund established in section 3, chapter 788,
25 Oregon Laws 2005.

26 (b) \$87,479,000 shall be deposited into the Oregon University System Fund established in
27 ORS 351.506, segregated in a distinct subaccount to allow necessary compliance under the
28 Internal Revenue Code.

29 **SECTION 3.** Section 4, chapter 906, Oregon Laws 2009, is amended to read:

30 **Sec. 4.** (1) Pursuant to ORS 286A.560 to 286A.585, at the request of the Oregon Department of
31 Administrative Services, after the department consults with the Housing and Community Services
32 Department, the State Treasurer is authorized to issue lottery bonds for the Housing and Community
33 Services Department to provide financial assistance to aid in the acquisition, renovation or mainte-
34 nance of section 8 housing or other housing with federal rent subsidies.

35 (2) The use of lottery bond proceeds is authorized based on the following findings:

36 (a) Individuals who are at risk of homelessness or who otherwise pay a disproportionate share
37 of income for housing increase their potential for self-sufficiency, and use proportionately fewer
38 community-funded resources when they are provided a stable housing environment.

39 (b) Having housing for at-risk populations is essential to Oregon's healthy economic growth.

40 (3) The aggregate principal amount of lottery bonds issued pursuant to subsection (1) of this
41 section may not exceed the amount of [~~\$16,301,718~~] **\$21,301,718** plus an additional amount estimated
42 by the State Treasurer to be necessary to pay bond-related costs as defined in ORS 286A.560.

43 **SECTION 4.** (1) For the biennium beginning July 1, 2011, at the request of the Oregon
44 Department of Administrative Services, after the department consults with the Water Re-
45 sources Department, the State Treasurer is authorized to issue lottery bonds pursuant to

1 **ORS 286A.560 to 286A.585 in an amount not to exceed net proceeds of \$1,229,052 for the pur-**
2 **pose described in subsection (2) of this section, plus an additional amount estimated by the**
3 **State Treasurer to be necessary to pay bond-related costs.**

4 **(2) Net proceeds of lottery bonds issued under this section must be transferred to the**
5 **Water Resources Department for deposit in the Water Resources Department Water Supply**
6 **Fund established under section 10, chapter 906, Oregon Laws 2009, sufficient to provide**
7 **\$1,229,052 in net proceeds and interest earnings to provide grants for feasibility studies for**
8 **water conservation, reuse and storage projects.**

9 **(3) The Legislative Assembly finds that the use of lottery bond proceeds will create jobs,**
10 **further economic development, finance public education or restore and protect parks,**
11 **beaches, watersheds and native fish and wildlife and is authorized based on the following**
12 **findings:**

13 **(a) Adequate drinking water systems, irrigation, drainage and healthy ecosystems en-**
14 **hance community development and encourage economic growth.**

15 **(b) Having adequate drinking water systems, irrigation, drainage and healthy ecosystems**
16 **is essential to Oregon's economic growth.**

17 **(c) Assisting local governments to mitigate losses resulting from reduced water supply**
18 **for irrigation and retirement of water rights will enhance community efforts to facilitate and**
19 **promote economic growth.**

20 **(d) Increasing the use of renewable energy will assist in reducing energy costs in the long**
21 **term, which allows for sustainable economic growth.**

22 **SECTION 5.** Section 10, chapter 906, Oregon Laws 2009, is amended to read:

23 **Sec. 10.** (1) The Water Resources Department Water Supply Fund is established separate and
24 distinct from the General Fund. Interest earned [by] **on moneys deposited in** the Water Resources
25 Department Water Supply Fund shall be credited to the fund. **Moneys in the fund are contin-**
26 **uously appropriated to the Water Resources Department.**

27 **(2) The Water Resources Department Water Supply Fund consists of:**

28 [(2)] **(a)** Net proceeds of lottery bonds issued pursuant to sections 8 and 9 [of this 2009 Act],
29 **chapter 906, Oregon Laws 2009, [shall be]** deposited into the Water Resources Department Water
30 Supply Fund[. *Moneys in the fund are continuously appropriated as follows*] **for the following pur-**
31 **poses:**

32 [(a)] **(A)** \$2,500,000 for the purposes of issuing grants to develop Umatilla Basin critical ground
33 water storage projects described in section 17, chapter 907, Oregon Laws 2009 [(Enrolled House Bill
34 3369)], and to provide or pay for services in connection with those projects.

35 [(b)] **(B)** \$217,000 to pay for the operation of loan and grant programs under sections 18 to 27,
36 chapter 907, Oregon Laws 2009 [(Enrolled House Bill 3369)].

37 [(c)] **(C)** \$283,000 for the purpose of developing an integrated state water resources strategy to
38 implement the state water resources policy pursuant to ORS 536.220 and section 45, chapter 907,
39 Oregon Laws 2009 [(Enrolled House Bill 3369)].

40 [(d)] **(D)** \$500,000 for purposes of the grant program established by section 1, chapter 13, Oregon
41 Laws 2008.

42 **(b) Net proceeds of lottery bonds issued pursuant to section 4 of this 2011 Act in an**
43 **amount sufficient to provide \$1,229,052 in net proceeds and interest earnings for the depart-**
44 **ment to finance grants for feasibility studies for water conservation, reuse and storage**
45 **projects.**

1 (c) Any other fees, revenues or income deposited in the fund by the Legislative Assembly.

2 **SECTION 6.** (1) For the biennium beginning July 1, 2011, at the request of the Oregon
3 Department of Administrative Services, after the department consults with the Port of
4 Morrow, the State Treasurer is authorized to issue lottery bonds pursuant to ORS 286A.560
5 to 286A.585 in an amount not to exceed net proceeds of \$3.2 million for the purpose described
6 in subsection (2) of this section, plus an additional amount estimated by the State Treasurer
7 to be necessary to pay bond-related costs.

8 (2) Net proceeds of lottery bonds issued pursuant to this section in an amount sufficient
9 to provide \$3.2 million in net proceeds and interest earned must be transferred to the de-
10 partment for disbursement to the Port of Morrow for the purpose of Willow Creek/SAGE
11 Center improvements, including construction of sidewalks or other walkways.

12 (3) The Legislative Assembly finds that the use of lottery bond proceeds will create jobs,
13 further economic development, finance public education or restore and protect parks,
14 beaches, watersheds and native fish and wildlife, and is authorized because:

15 (a) The proceeds will be used to construct or improve public infrastructure that facilitate
16 and promote tourism and that provide access to cultural and educational facilities.

17 (b) The projects will create jobs in tourism and construction.

18 **SECTION 7.** The Willow Creek/SAGE Center Improvements Fund is established in the
19 State Treasury, separate and distinct from the General Fund. Interest earned on moneys in
20 the Willow Creek/SAGE Center Improvements Fund shall be credited to the fund. The Willow
21 Creek/SAGE Center Improvements Fund consists of moneys deposited in the fund under
22 section 6 of this 2011 Act and may include fees, revenues or other income deposited into the
23 fund by the Legislative Assembly. Moneys in the fund are continuously appropriated to the
24 Oregon Department of Administrative Services for disbursement to the Port of Morrow for
25 the purpose of Willow Creek/SAGE Center improvements, including construction of side-
26 walks or other walkways.

27 **SECTION 8.** (1) For the biennium beginning July 1, 2011, at the request of the Oregon
28 Department of Administrative Services, after the department consults with the City of
29 Hermiston, the State Treasurer is authorized to issue lottery bonds pursuant to ORS
30 286A.560 to 286A.585 in an amount not to exceed net proceeds of \$6.4 million for the purpose
31 described in subsection (2) of this section, plus an additional amount estimated by the State
32 Treasurer to be necessary to pay bond-related costs.

33 (2) Net proceeds of lottery bonds issued under this section in an amount sufficient to
34 provide \$6.4 million in net proceeds and interest earnings for transfer to the department for
35 disbursement to the City of Hermiston for the purpose of acquiring, developing, constructing
36 and equipping the Eastern Oregon Trade Center.

37 (3) The Legislative Assembly finds that the use of lottery bond proceeds will create jobs,
38 further economic development, finance public education or restore and protect parks,
39 beaches, watersheds and native fish and wildlife, and is authorized based on the following
40 findings:

41 (a) The human capital and other resources of eastern Oregon are underutilized;

42 (b) The Eastern Oregon Trade Center will be a resource to promote and focus attention
43 on the development potential of the region; and

44 (c) Construction of the Eastern Oregon Trade Center will create jobs.

45 **SECTION 9.** (1) The Eastern Oregon Trade Center Fund is established in the State

1 Treasury, separate and distinct from the General Fund. Interest earned on moneys in the
2 Eastern Oregon Trade Center Fund shall be credited to the fund. The Eastern Oregon Trade
3 Center Fund consists of moneys deposited in the fund under section 8 of this 2011 Act and
4 may include fees, revenues or other income deposited into the fund by the Legislative As-
5 sembly.

6 (2) Moneys in the fund are continuously appropriated to the Oregon Department of Ad-
7 ministrative Services for disbursement to the City of Hermiston for the purpose of acquiring,
8 developing, constructing and equipping the Eastern Oregon Trade Center.

9 SECTION 10. (1) For the biennium beginning July 1, 2011, at the request of the Oregon
10 Department of Administrative Services, after the department consults with the Milton-
11 Freewater Water Control District, the State Treasurer is authorized to issue lottery bonds
12 pursuant to ORS 286A.560 to 286A.585 in an amount not to exceed net proceeds of \$2.9 million
13 for the purpose described in subsection (2) of this section, plus an additional amount esti-
14 mated by the State Treasurer to be necessary to pay bond-related costs.

15 (2) Net proceeds of lottery bonds issued under this section in the amount sufficient to
16 provide \$2.9 million in net proceeds and interest earned must be transferred to the depart-
17 ment for disbursement to the Milton-Freewater Water Control District for public
18 infrastructure improvements, including levee restoration and repair projects and bridge
19 projects, in Milton-Freewater and surrounding areas.

20 (3) The Legislative Assembly finds that the use of lottery bond proceeds will create jobs,
21 further economic development, finance public education or restore and protect parks,
22 beaches, watersheds and native fish and wildlife, and is authorized based on the following
23 findings:

24 (a) Public investment in flood controls and transportation infrastructure encourage and
25 promote private capital investment and economic development; and

26 (b) Construction projects will create jobs in Milton-Freewater and the surrounding area.

27 SECTION 11. (1) The Milton-Freewater Levee and Bridge Improvement Fund is estab-
28 lished in the State Treasury, separate and distinct from the General Fund. Interest earned
29 on moneys in the Milton-Freewater Levee and Bridge Improvement Fund shall be credited
30 to the fund. The Milton-Freewater Levee and Bridge Improvement Fund consists of moneys
31 deposited in the fund under section 10 of this 2011 Act and may include fees, revenues or
32 other income deposited into the fund by the Legislative Assembly.

33 (2) Moneys in the fund are continuously appropriated to the Oregon Department of Ad-
34 ministrative Services for disbursement to the Milton-Freewater Water Control District for
35 the purpose of public infrastructure improvements, including levee restoration and repair
36 projects and bridge projects, in Milton-Freewater and surrounding areas.

37 SECTION 12. (1) For the biennium beginning July 1, 2011, at the request of the Oregon
38 Department of Administrative Services, after the department consults with the Lane Transit
39 District, the State Treasurer is authorized to issue lottery bonds pursuant to ORS 286A.560
40 to 286A.585 in an amount not to exceed net proceeds of \$4.2 million for the purpose described
41 in subsection (2) of this section, plus an additional amount estimated by the State Treasurer
42 to be necessary to pay bond-related costs.

43 (2) Net proceeds of lottery bonds issued under this section in an amount sufficient to
44 provide \$4.2 million in net proceeds and interest earnings for the department to deposit in
45 the West Eugene EmX Extension Fund for disbursement to the Lane Transit District for the

1 **West Eugene EmX Extension, as defined in section 28, chapter 906, Oregon Laws 2009.**

2 **(3) The Legislative Assembly finds that the use of lottery bond proceeds will create jobs,**
3 **further economic development, finance public education or restore and protect parks,**
4 **beaches, watersheds and native fish and wildlife, and is authorized based on the findings**
5 **identified by the Legislative Assembly in section 28, chapter 906, Oregon Laws 2009.**

6 **SECTION 13.** Section 29, chapter 906, Oregon Laws 2009, is amended to read:

7 **Sec. 29.** The West Eugene EmX Extension Fund is established in the State Treasury, separate
8 and distinct from the General Fund. Interest earned on moneys in the West Eugene EmX Extension
9 Fund shall be credited to the fund. The West Eugene EmX Extension Fund consists of moneys de-
10 posited in the fund under section 28 [of this 2009 Act], **chapter 906, Oregon Laws 2009, and section**
11 **12 of this 2011 Act,** and may include fees, revenues or other income deposited into the fund by the
12 Legislative Assembly for payment of costs incurred to establish the West Eugene EmX Extension.
13 Moneys in the fund are continuously appropriated to the Oregon Department of Administrative
14 Services for:

15 (1) Disbursement to the Lane Transit District [to pay \$1,600,000 of] **of moneys appropriated**
16 **by the Legislative Assembly for the purpose of paying** the costs incurred to establish the West
17 Eugene EmX Extension.

18 (2) Payment of bond-related costs, as defined in ORS 286A.560.

19 **SECTION 14.** (1) **For the biennium beginning July 1, 2011, at the request of the Oregon**
20 **Department of Administrative Services, after the department consults with the Oregon His-**
21 **torical Society, the State Treasurer is authorized to issue lottery bonds pursuant to ORS**
22 **286A.560 to 286A.585 in an amount not to exceed net proceeds of \$2.5 million for the purpose**
23 **described in subsection (2) of this section, plus an additional amount estimated by the State**
24 **Treasurer to be necessary to pay bond-related costs.**

25 (2) **Net proceeds of lottery bonds issued pursuant to this section in an amount sufficient**
26 **to provide \$2.5 million in net proceeds and interest earnings to the department for dis-**
27 **bursement to the Oregon Historical Society for payment of costs associated with the mort-**
28 **gage on the society's storage facility in Gresham.**

29 (3) **The Legislative Assembly finds that the use of lottery bond proceeds will create jobs,**
30 **further economic development, finance public education or restore and protect parks,**
31 **beaches, watersheds and native fish and wildlife, and is authorized based on the following**
32 **findings:**

33 (a) **The mission of the Oregon Historical Society is not just to preserve Oregon's docu-**
34 **mentary history but to utilize the documents preserved to educate Oregonians of all ages.**

35 (b) **By relieving the society of the mortgage costs on the society's storage facility, the**
36 **society is able to focus more resources on operations that serve the society's mission.**

37 **SECTION 15.** (1) **The Oregon Historical Society Mortgage Relief Fund is established in the**
38 **State Treasury, separate and distinct from the General Fund. Interest earned on moneys in**
39 **the Oregon Historical Society Mortgage Relief Fund shall be credited to the fund. The Oregon**
40 **Historical Society Mortgage Relief Fund consists of moneys deposited in the fund under**
41 **section 14 of this 2011 Act and may include fees, revenues or other income deposited into the**
42 **fund by the Legislative Assembly.**

43 (2) **Moneys in the fund are continuously appropriated to the Oregon Department of Ad-**
44 **ministrative Services for disbursement to the Oregon Historical Society to pay costs associ-**
45 **ated with the mortgage on the society's storage facility in Gresham.**

1 **SECTION 16.** (1) For the biennium beginning July 1, 2011, at the request of the Oregon
2 Department of Administrative Services, after the department consults with the State Board
3 of Forestry, the State Treasurer is authorized to issue lottery bonds pursuant to ORS
4 286A.560 to 286A.585 in an amount not to exceed net proceeds of \$1,980,000 for the purpose
5 described in subsection (2) of this section, plus an additional amount estimated by the State
6 Treasurer to be necessary to pay bond-related costs.

7 (2) Notwithstanding ORS 526.060, net proceeds of lottery bonds issued under this section
8 in an amount sufficient to provide \$1,980,000 in net proceeds and interest earnings for deposit
9 in the State Forest Acquisition Fund established under section 14, chapter 906, Oregon Laws
10 2009, for the purpose of acquiring parcels in the Gilchrist area of Klamath County for use
11 as state forestland.

12 (3) The Legislative Assembly finds that:

13 (a) The Gilchrist area of Klamath County is an economically stressed region;

14 (b) State acquisition of parcels located in the Gilchrist area of Klamath County for
15 management as state forestland would produce economic benefits for the area, including but
16 not limited to income from the harvest of forest products and direct employment and eco-
17 nomic benefit from processing harvested forest products;

18 (c) State acquisition of parcels in the Gilchrist area of Klamath County and management
19 of those parcels as state forestland will result in increased employment in the tourism in-
20 dustry and other industries related to the development of recreational attractions on parcels;

21 (d) There exists a substantial risk that failure to acquire certain parcels in the Gilchrist
22 area of Klamath County for use as state forestland will result in the parcels being converted
23 to nonforest use, resulting in the loss of existing forest industry jobs and existing jobs in
24 related industries in the area; and

25 (e) The use of lottery bond proceeds as provided in this section will create jobs, further
26 economic development, finance public education or protect parks, watersheds, fish or wildlife
27 within Oregon, and issuance of lottery bonds for the purpose described in this section is
28 therefore an appropriate use of state lottery funds under section 4, Article XV of the Oregon
29 Constitution, and ORS 461.510.

30 **SECTION 17.** Section 14, chapter 906, Oregon Laws 2009 is amended to read:

31 **Sec. 14.** The State Forest Acquisition Fund is established in the State Treasury, separate and
32 distinct from the General Fund. The State Forest Acquisition Fund shall consist of moneys depos-
33 ited in the fund under section 13 [of this 2009 Act], **chapter 906, Oregon Laws 2009, and section**
34 **16 of this 2011 Act, and may include fees, revenues or other income deposited into the fund**
35 **by the Legislative Assembly.** The moneys in the State Forest Acquisition Fund and the interest
36 earnings on moneys in the fund are continuously appropriated to the State Board of Forestry for the
37 purpose of acquiring parcels in the Gilchrist area of Klamath County for use as state forestland.

38 **SECTION 18.** (1) For the biennium beginning July 1, 2011, at the request of the Oregon
39 Department of Administrative Services, after the department consults with the Department
40 of Veterans' Affairs, the State Treasurer is authorized to issue lottery bonds pursuant to
41 ORS 286A.560 to 286A.585 in an amount not to exceed net proceeds of \$10.5 million for the
42 purpose described in subsection (2) of this section, plus an additional amount estimated by
43 the State Treasurer to be necessary to pay bond-related costs.

44 (2) Net proceeds of lottery bonds issued under this section in an amount sufficient to
45 provide \$10.5 million in net proceeds and interest earnings must be transferred to the De-

1 **partment of Veterans' Affairs and deposited in the Roseburg Veterans' Home Construction**
2 **Fund established in section 19 of this 2011 Act for the purpose of acquiring, developing,**
3 **constructing and equipping the Roseburg Veterans' Home.**

4 **(3) The Legislative Assembly finds that the use of lottery bond proceeds will create jobs,**
5 **further economic development, finance public education or restore and protect parks,**
6 **beaches, watersheds and native fish and wildlife, and is authorized based on the finding that**
7 **establishment of the Roseburg Veterans' Home will create jobs in construction and health**
8 **care fields.**

9 **SECTION 19. The Roseburg Veterans' Home Construction Fund is established in the**
10 **State Treasury, separate and distinct from the General Fund. Interest earned on moneys in**
11 **the Roseburg Veterans' Home Construction Fund shall be credited to the fund. The Roseburg**
12 **Veterans' Home Construction Fund consists of moneys deposited in the fund under section**
13 **18 of this 2011 Act and may include fees, revenues or other income deposited into the fund**
14 **by the Legislative Assembly for payment of costs incurred to acquire, develop, construct and**
15 **equip the Roseburg Veterans' Home. Moneys in the fund are continuously appropriated to**
16 **the Department of Veterans' Affairs for the purpose of acquiring, developing, constructing**
17 **and equipping the Roseburg Veterans' Home.**

18 **SECTION 20. (1) For the biennium beginning July 1, 2011, at the request of the Oregon**
19 **Department of Administrative Services, in consultation with the Department of Transporta-**
20 **tion, the State Treasurer is authorized to issue lottery bonds pursuant to ORS 286A.560 to**
21 **286A.585 in an amount not to exceed net proceeds of \$40 million for the purpose described in**
22 **subsection (2) of this section, plus an additional amount, to be estimated by the State**
23 **Treasurer, for payment of bond-related costs.**

24 **(2) Net proceeds of lottery bonds issued pursuant to this section must be deposited in the**
25 **Multimodal Transportation Fund established under ORS 367.080 sufficient to provide \$40**
26 **million in net proceeds and interest earnings for the Department of Transportation to fi-**
27 **nance grants and loans for transportation projects as provided in ORS 367.080 to 367.086.**

28 **(3) Bond-related costs for the lottery bonds authorized by this section must be paid from**
29 **the gross proceeds of the lottery bonds and from allocations for the purposes of ORS**
30 **286A.576 (1)(c).**

31 **(4) The Legislative Assembly finds that issuing lottery bonds to finance transportation**
32 **projects pursuant to this section is essential to promoting the state's economic development**
33 **and the use of lottery bond proceeds is authorized based on the following findings:**

34 **(a) There is an urgent need to improve and expand publicly owned and privately owned**
35 **transportation infrastructure to support economic development in this state.**

36 **(b) A safe, efficient and reliable transportation network supports the long-term economic**
37 **development and livability of this state.**

38 **(c) A multimodal network of air, rail, public transit, highway and marine transportation**
39 **moves people and goods efficiently.**

40 **(d) Local governments and private sector businesses often lack capital and the technical**
41 **capacity to undertake multimodal transportation projects.**

42 **(e) Public financial assistance can stimulate industrial growth and commercial enterprise**
43 **and promote employment opportunities in this state.**

44 **(f) Public investment in transportation infrastructure will create jobs and further eco-**
45 **nomi c development in this state.**

1 (g) The use of lottery bond proceeds as provided in this section will create jobs, further
2 economic development, finance public education or protect parks, watersheds, fish or wildlife
3 within Oregon, and issuance of lottery bonds for the purpose described in this section is
4 therefore an appropriate use of state lottery funds under section 4, Article XV of the Oregon
5 Constitution, and ORS 461.510.

6 **SECTION 21.** To the extent that proposed transportation projects meet the qualifications
7 established by the Oregon Transportation Commission by rule, the commission shall allocate
8 at least 10 percent of the net proceeds of the lottery bonds authorized by section 20 of this
9 2011 Act to each region described in this section. For purposes of this section, the regions
10 are as follows:

11 (1) Region one consists of Clackamas, Columbia, Hood River, Multnomah and Washington
12 Counties.

13 (2) Region two consists of Benton, Clatsop, Lane, Lincoln, Linn, Marion, Polk, Tillamook
14 and Yamhill Counties.

15 (3) Region three consists of Coos, Curry, Douglas, Jackson and Josephine Counties.

16 (4) Region four consists of Crook, Deschutes, Gilliam, Jefferson, Klamath, Lake,
17 Sherman, Wasco and Wheeler Counties.

18 (5) Region five consists of Baker, Grant, Harney, Malheur, Morrow, Umatilla, Union and
19 Wallowa Counties.

20 **SECTION 22.** Section 15, chapter 30, Oregon Laws 2010, is repealed.

21 **SECTION 23.** This 2011 Act being necessary for the immediate preservation of the public
22 peace, health and safety, an emergency is declared to exist, and this 2011 Act takes effect
23 July 1, 2011.
24
