

# Senate Bill 168

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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**.

Authorizes issuance of lottery bonds to finance implementation of Klamath Basin Restoration Agreement of 2010.

Declares emergency, effective on passage.

## A BILL FOR AN ACT

1  
2 Relating to Klamath Basin Restoration Agreement of 2010; appropriating money; and declaring an  
3 emergency.

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

5 **SECTION 1. (1) At the request of the Oregon Department of Administrative Services, in**  
6 **consultation with the Water Resources Department, the State Treasurer is authorized to**  
7 **issue lottery bonds pursuant to ORS 286A.560 to 286A.585, for the biennium beginning July**  
8 **1, 2011, in an amount not to exceed net proceeds of \$3.4 million for the purpose described in**  
9 **subsection (2) of this section, plus an additional amount, to be estimated by the State**  
10 **Treasurer, for payment of bond-related costs.**

11 **(2) Net proceeds of bonds issued pursuant to this section must be deposited in the**  
12 **Klamath Basin Restoration Agreement Fund established in section 3 of this 2011 Act for ex-**  
13 **ecuting the commitments of the State of Oregon in the implementation of the Klamath Basin**  
14 **Restoration Agreement of 2010.**

15 **(3) Bond-related costs for the lottery bonds authorized by this section must be paid from**  
16 **the gross proceeds of the lottery bonds and from allocations for the purposes of ORS**  
17 **286A.576 (1)(c).**

18 **SECTION 2. The Legislative Assembly finds that:**

19 **(1) Implementation of the Klamath Basin Restoration Agreement of 2010 will have nega-**  
20 **tive impacts, including a retirement of water rights, a reduction in water delivery and the**  
21 **potential devaluation of land and agricultural activities in the Klamath River Basin in**  
22 **Oregon.**

23 **(2) The commitment of the State of Oregon will help to mitigate and offset negative im-**  
24 **pacts of the restoration agreement and to establish a basis for continuing job creation and**  
25 **economic development in the restored Klamath River Basin.**

26 **(3) The factors described in subsection (2) of this section will encourage and promote job**  
27 **creation and economic development within the State of Oregon, and issuance of lottery bonds**  
28 **to finance the restoration agreement is therefore an appropriate use of state lottery funds**  
29 **under section 4, Article XV of the Oregon Constitution, and ORS 461.510.**

30 **SECTION 3. (1) The Klamath Basin Restoration Agreement Fund is established in the**

**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 **State Treasury, separate and distinct from the General Fund. Interest earned on moneys in**  
2 **the Klamath Basin Restoration Agreement Fund shall be credited to the fund. The fund**  
3 **consists of moneys deposited in the fund under section 1 of this 2011 Act, and may include**  
4 **fees, revenues or other income deposited in the fund by the Legislative Assembly for the**  
5 **implementation of the Klamath Basin Restoration Agreement of 2010. Moneys in the fund**  
6 **are continuously appropriated to the Water Resources Department for the purposes de-**  
7 **scribed in subsection (2) of this section.**

8 **(2) Moneys in the fund may be used to:**

9 **(a) Provide grants for projects, targeted to support agricultural users and development,**  
10 **that foster and create incentive for development of renewable energy, energy efficiency and**  
11 **energy and water conservation.**

12 **(b) Provide moneys to Klamath County to compensate for loss of tax revenue due to**  
13 **implementation of the restoration agreement.**

14 **(c) Pay the costs of the department to administer the fund.**

15 **(d) Pay bond-related costs, as defined in ORS 286A.560.**

16 **SECTION 4. This 2011 Act being necessary for the immediate preservation of the public**  
17 **peace, health and safety, an emergency is declared to exist, and this 2011 Act takes effect**  
18 **on its passage.**