

# House Bill 4036

Introduced and printed pursuant to House Rule 12.00. Pre-session filed (at the request of House Interim Committee on Revenue)

## 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**.

Imposes one percent tax on specified providers of residential care and services. Appropriates moneys from tax to Department of Human Services to fund medical assistance expenditures for providers of residential care and services.

Sunset tax on providers of residential care and services no later than October 1, 2019.

Takes effect on 91st day following adjournment sine die.

## A BILL FOR AN ACT

1  
2 Relating to transient lodging tax on providers of residential care services; creating new provisions;  
3 amending ORS 284.131, 320.300, 320.305, 320.308, 320.310, 320.315, 320.320, 320.325, 320.330 and  
4 320.335; appropriating money; prescribing an effective date; and providing for revenue raising  
5 that requires approval by a three-fifths majority.

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

7 **SECTION 1. (1) Moneys appropriated to the Department of Human Services under ORS**  
8 **320.335 (3) and any federal financial participation made available by the expenditure of the**  
9 **moneys appropriated to the department under ORS 320.335 (3) shall be used by the depart-**  
10 **ment to reimburse licensed or certified providers of residential care and services for the cost**  
11 **of residential care and services furnished to medical assistance recipients.**

12 **(2) As used in this section:**

13 **(a) "Employment and related day services" means services prescribed by the department**  
14 **by rule pursuant to ORS 430.664 for which the primary goal is to increase the independence,**  
15 **integration and productivity, as described in ORS 427.007, of individuals with developmental**  
16 **disabilities.**

17 **(b) "Proctor care services" means a comprehensive residential program certified by the**  
18 **department or the Oregon Youth Authority to provide intensive individually focused con-**  
19 **tracted foster care, training and support to children with developmental disabilities.**

20 **(c) "Residential care" means:**

21 **(A) A residential training facility as defined in ORS 443.400, except for a facility operated**  
22 **by the department.**

23 **(B) A residential training home as defined in ORS 443.400, except for a home operated**  
24 **by the department.**

25 **(d) "Residential care and services" means:**

26 **(A) Employment and related day services;**

27 **(B) Proctor care services;**

28 **(C) Residential care;**

29 **(D) Supported living; or**

**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 (E) **Services administered or provided by a support service brokerage.**

2 (e) **“Supported living” means services prescribed by the department by rule pursuant to**  
 3 **ORS 430.664 that allow an individual with a developmental disability to live in the residence**  
 4 **of the individual’s choice in the community.**

5 (f) **“Support service brokerage” means an entity that uses principles of self-**  
 6 **determination to perform functions prescribed by the department pursuant to ORS 430.664**  
 7 **that are associated with planning, arranging and monitoring the implementation of support**  
 8 **services for individuals with developmental disabilities.**

9 **SECTION 2.** ORS 284.131 is amended to read:

10 284.131. (1) All moneys collected, received by or appropriated to the Oregon Tourism Commis-  
 11 sion must be deposited into an account established by the commission in a depository bank insured  
 12 by the Federal Deposit Insurance Corporation. In a manner consistent with the requirements of ORS  
 13 chapter 295, the chair of the commission shall ensure that sufficient collateral secures any amount  
 14 of funds on deposit that exceeds the limits of the Federal Deposit Insurance Corporation’s coverage.

15 (2) Subject to the approval of the chair, the commission may invest moneys collected or received  
 16 by the commission. Investments made by the commission must be limited to investments described  
 17 in ORS 294.035 (3)(a) to (i).

18 (3) Interest earned on any moneys invested under subsection (2) of this section must be made  
 19 available to the commission in a manner consistent with the biennial budget of the commission.

20 (4) The commission shall spend state transient lodging tax moneys appropriated to the commis-  
 21 sion under ORS 320.335 (2) as follows:

22 (a) At least 80 percent must be used to fund state tourism marketing programs.

23 (b) As much as 15 percent must be used to implement a regional cooperative tourism marketing  
 24 program that:

25 (A) Requires fund allocations to focus on creating new business from out-of-state and interna-  
 26 tional markets;

27 (B) Utilizes a regional allocation formula that distributes revenue to regions, the boundaries of  
 28 which are established by the commission, in proportion to the amount of transient lodging tax re-  
 29 venues collected in each region;

30 (C) Distributes revenue to recipients that are selected by the commission as organizations able  
 31 to conduct tourism-related marketing for each region;

32 (D) Requires advertising, publications, CD-ROMs, websites, videos and other tourism promotion  
 33 materials funded through the regional cooperative tourism marketing program to carry the Oregon  
 34 Tourism Commission logo and marketing tag line; and

35 (E) Encourages funding recipients to incorporate design elements from commission advertising  
 36 and promotional campaigns, such as fonts, images and other design elements.

37 (5) All moneys in the account that are not state transient lodging tax revenues are continuously  
 38 appropriated to the commission for the purposes of carrying out the functions of the commission.

39 (6) All expenditures from the account are exempt from any state expenditure limitation.

40 **SECTION 3.** ORS 320.300 is amended to read:

41 320.300. As used in ORS 320.300 to 320.350:

42 (1) **“Collection reimbursement charge” means the amount a transient lodging provider or a**  
 43 **provider of residential care and services may retain as reimbursement for the costs incurred by**  
 44 **the provider in collecting and reporting a transient lodging tax and in maintaining transient lodging**  
 45 **tax records.**

1 (2) "Conference center" means a facility that:

2 (a) Is owned or partially owned by a unit of local government, a governmental agency or a  
3 nonprofit organization; and

4 (b) Meets the current membership criteria of the International Association of Conference Cen-  
5 ters.

6 (3) "Convention center" means a new or improved facility that:

7 (a) Is capable of attracting and accommodating conventions and trade shows from international,  
8 national and regional markets requiring exhibition space, ballroom space, meeting rooms and any  
9 other associated space, including but not limited to banquet facilities, loading areas and lobby and  
10 registration areas;

11 (b) Has a total meeting room and ballroom space between one-third and one-half of the total size  
12 of the center's exhibition space;

13 (c) Generates a majority of its business income from tourists;

14 (d) Has a room-block relationship with the local lodging industry; and

15 (e) Is owned by a unit of local government, a governmental agency or a nonprofit organization.

16 (4) "Local transient lodging tax" means a tax imposed by a unit of local government on the sale,  
17 service or furnishing of transient lodging.

18 (5) **"Provider" means a person that furnishes transient lodging or that furnishes resi-  
19 dential care and services.**

20 (6) **"Residential care and services" has the meaning given that term in section 1 of this  
21 2012 Act.**

22 [(5)] (7) "State transient lodging tax" means the tax imposed under ORS 320.305.

23 [(6)] (8) "Tourism" means economic activity resulting from tourists.

24 [(7)] (9) "Tourism promotion" means any of the following activities:

25 (a) Advertising, publicizing or distributing information for the purpose of attracting and wel-  
26 coming tourists;

27 (b) Conducting strategic planning and research necessary to stimulate future tourism develop-  
28 ment;

29 (c) Operating tourism promotion agencies; and

30 (d) Marketing special events and festivals designed to attract tourists.

31 [(8)] (10) "Tourism promotion agency" includes:

32 (a) An incorporated nonprofit organization or governmental unit that is responsible for the  
33 tourism promotion of a destination on a year-round basis.

34 (b) A nonprofit entity that manages tourism-related economic development plans, programs and  
35 projects.

36 (c) A regional or statewide association that represents entities that rely on tourism-related  
37 business for more than 50 percent of their total income.

38 [(9)] (11) "Tourism-related facility":

39 (a) Means a conference center, convention center or visitor information center; and

40 (b) Means other improved real property that has a useful life of 10 or more years and has a  
41 substantial purpose of supporting tourism or accommodating tourist activities.

42 [(10)] (12) "Tourist" means a person who, for business, pleasure, recreation or participation in  
43 events related to the arts, heritage or culture, travels from the community in which that person is  
44 a resident to a different community that is separate, distinct from and unrelated to the person's  
45 community of residence, and that trip:

1 (a) Requires the person to travel more than 50 miles from the community of residence; or

2 (b) Includes an overnight stay.

3 [(11)] (13) "Transient lodging" means:

4 (a) Hotel, motel and inn dwelling units that are used for temporary overnight human occupancy;

5 (b) Spaces used for parking recreational vehicles or erecting tents during periods of human oc-  
6 cupancy; or

7 (c) Houses, cabins, condominiums, apartment units or other dwelling units, or portions of any  
8 of these dwelling units, that are used for temporary human occupancy.

9 [(12)] (14) "Unit of local government" has the meaning given that term in ORS 190.003.

10 [(13)] (15) "Visitor information center" means a building, or a portion of a building, the main  
11 purpose of which is to distribute or disseminate information to tourists.

12 **SECTION 4.** ORS 320.305 is amended to read:

13 320.305. (1) A tax of one percent is imposed on any consideration rendered for the sale, service  
14 or furnishing of [*transient lodging*. *The tax imposed by this subsection shall be in addition to and not*  
15 *in lieu of any local transient lodging tax.*]:

16 (a) **Transient lodging and shall be in addition to and not in lieu of any applicable local**  
17 **transient lodging tax; or**

18 (b) **Residential care and services and shall be in lieu of any applicable local transient**  
19 **lodging tax.**

20 (2) The tax shall be collected by the [*transient lodging*] provider.

21 [(2)] (3) A [*The transient lodging*] provider shall withhold five percent of the amount the provider  
22 collects under subsection [(1)] (2) of this section for the purpose of reimbursing the provider for the  
23 cost of tax collection, record keeping and reporting.

24 **SECTION 5.** ORS 320.308 is amended to read:

25 320.308. (1) The following are exempt from the state transient lodging tax:

26 [(1)] (a) A dwelling unit in a hospital, health care facility, long term care facility or any other  
27 residential facility that is licensed, registered or certified by the Department of Human Services or  
28 the Oregon Health Authority[;].

29 [(2)] (b) A dwelling unit in a facility providing treatment for drug or alcohol abuse or providing  
30 mental health treatment[;].

31 [(3)] (c) A dwelling unit that is used by members of the general public for temporary human  
32 occupancy for fewer than 30 days per year[;].

33 [(4)] (d) A dwelling unit, the consideration for which is funded through a contract with a gov-  
34 ernment agency and the purpose of which is to provide emergency or temporary shelter[;].

35 [(5)] (e) A dwelling unit at a nonprofit youth or church camp, nonprofit conference center or  
36 other nonprofit facility[; or].

37 [(6)] (f) A dwelling unit that is leased or otherwise occupied by the same person for a consec-  
38 utive period of 30 days or more during the year. The requirements of this [*subsection*] **paragraph**  
39 are satisfied even if the physical dwelling unit changes during the consecutive period, if:

40 [(a)] (A) All dwelling units occupied are within the same facility; and

41 [(b)] (B) The person paying consideration for the transient lodging is the same person through-  
42 out the consecutive period.

43 (2) **The exemptions in subsection (1) of this section do not apply to dwelling units fur-**  
44 **nished by providers of residential care and services.**

45 **SECTION 6.** ORS 320.310 is amended to read:

1 320.310. Every [*transient lodging*] provider responsible for collecting the tax imposed by ORS  
 2 320.305 shall keep records, render statements and comply with rules adopted by the Department of  
 3 Revenue with respect to the tax. The records and statements required by this section must be suf-  
 4 ficient to show whether there is a tax liability under ORS 320.305.

5 **SECTION 7.** ORS 320.315 is amended to read:

6 320.315. (1) Every [*transient lodging*] provider is responsible for collecting the tax imposed under  
 7 ORS 320.305 and shall file a return with the Department of Revenue, on or before the last day of  
 8 the month following the end of each calendar quarter, reporting the amount of tax due during the  
 9 quarter. The department shall prescribe the form of the return required by this section. The rules  
 10 of the department shall require that returns be made under penalties for false swearing.

11 (2) When a return is required under subsection (1) of this section, the [*transient lodging*] provider  
 12 required to make the return shall remit the tax due to the department at the time fixed for filing  
 13 the return.

14 **SECTION 8.** ORS 320.320 is amended to read:

15 320.320. If the amount paid by [*the transient lodging*] a provider to the Department of Revenue  
 16 under ORS 320.315 exceeds the amount of tax payable, the department shall refund the amount of  
 17 the excess with interest thereon at the rate established under ORS 305.220 for each month or frac-  
 18 tion of a month from the date of payment of the excess until the date of the refund. A refund may  
 19 not be made to a [*transient lodging*] provider who fails to claim the refund within two years after  
 20 the due date for filing the return to which the claim for refund relates.

21 **SECTION 9.** ORS 320.325 is amended to read:

22 320.325. (1) Every [*transient lodging*] provider required to collect the tax imposed by ORS 320.305  
 23 shall be deemed to hold the amount collected in trust for the State of Oregon and for payment to  
 24 the Department of Revenue in the manner and at the time provided by ORS 320.315.

25 (2) At any time [*the transient lodging*] a provider required to collect the tax fails to remit any  
 26 amount deemed to be held in trust for the State of Oregon, the department may enforce collection  
 27 by the issuance of a distraint warrant for the collection of the delinquent amount and all penalties,  
 28 interest and collection charges accrued thereon. The warrant shall be issued, docketed and pro-  
 29 ceeded upon in the same manner and shall have the same force and effect as is prescribed with re-  
 30 spect to warrants for the collection of delinquent income taxes.

31 **SECTION 10.** ORS 320.330 is amended to read:

32 320.330. Unless the context requires otherwise, the provisions of ORS chapters 305, 314 and 316  
 33 as to the audit and examination of reports and returns, confidentiality of reports and returns, de-  
 34 termination of deficiencies, assessments, claims for refunds, penalties, interest, jeopardy assessments,  
 35 warrants, conferences and appeals to the Oregon Tax Court, and procedures relating thereto, apply  
 36 to ORS 320.305 to 320.340, the same as if the tax were a tax imposed upon or measured by net in-  
 37 come. All such provisions apply to the taxpayer liable for the tax and to the [*transient lodging*]  
 38 provider required to collect the tax. As to any amount collected and required to be remitted to the  
 39 Department of Revenue, the tax shall be considered a tax upon the [*transient lodging*] provider re-  
 40 quired to collect the tax and that provider shall be considered a taxpayer.

41 **SECTION 11.** ORS 320.335 is amended to read:

42 320.335. (1) All moneys received by the Department of Revenue pursuant to ORS 320.305 to  
 43 320.340, and interest thereon, shall be paid to the State Treasurer to be held in a suspense account  
 44 established under ORS 293.445. After the payment of refunds:

45 [(1)] (a) Moneys necessary to reimburse the Department of Revenue for the actual costs incurred

1 by the department in administering the state transient lodging tax, not to exceed two percent of  
2 state transient lodging tax collections, are continuously appropriated to the department; and

3 **(b) The balance of the moneys received shall be segregated and placed in two accounts.**  
4 **One account is composed of moneys remitted by providers of transient lodging and the sec-**  
5 **ond account is composed of moneys remitted by providers of residential care and services.**

6 (2) *[The balance of the]* Moneys received **from providers of transient lodging** shall be trans-  
7 ferred to the account of the Oregon Tourism Commission established under ORS 284.131. The mon-  
8 eys transferred under this subsection are continuously appropriated to the Oregon Tourism  
9 Commission for the purposes set forth in ORS 284.131.

10 **(3) Moneys received from providers of residential care and services shall be transferred**  
11 **to the Department of Human Services Account established in ORS 409.060. The moneys**  
12 **transferred under this subsection are continuously appropriated to the Department of Hu-**  
13 **man Services for the purposes described in section 1 of this 2012 Act.**

14 **SECTION 12. ORS 320.308 is added to and made a part of ORS 320.305 to 320.340.**

15 **SECTION 13.** ORS 284.131, as amended by section 2 of this 2012 Act, is amended to read:

16 284.131. (1) All moneys collected, received by or appropriated to the Oregon Tourism Commis-  
17 sion must be deposited into an account established by the commission in a depository bank insured  
18 by the Federal Deposit Insurance Corporation. In a manner consistent with the requirements of ORS  
19 chapter 295, the chair of the commission shall ensure that sufficient collateral secures any amount  
20 of funds on deposit that exceeds the limits of the Federal Deposit Insurance Corporation's coverage.

21 (2) Subject to the approval of the chair, the commission may invest moneys collected or received  
22 by the commission. Investments made by the commission must be limited to investments described  
23 in ORS 294.035 (3)(a) to (i).

24 (3) Interest earned on any moneys invested under subsection (2) of this section must be made  
25 available to the commission in a manner consistent with the biennial budget of the commission.

26 (4) The commission shall spend state transient lodging tax moneys appropriated to the commis-  
27 sion under ORS 320.335 [(2)] as follows:

28 (a) At least 80 percent must be used to fund state tourism marketing programs.

29 (b) As much as 15 percent must be used to implement a regional cooperative tourism marketing  
30 program that:

31 (A) Requires fund allocations to focus on creating new business from out-of-state and interna-  
32 tional markets;

33 (B) Utilizes a regional allocation formula that distributes revenue to regions, the boundaries of  
34 which are established by the commission, in proportion to the amount of transient lodging tax re-  
35 venues collected in each region;

36 (C) Distributes revenue to recipients that are selected by the commission as organizations able  
37 to conduct tourism-related marketing for each region;

38 (D) Requires advertising, publications, CD-ROMs, websites, videos and other tourism promotion  
39 materials funded through the regional cooperative tourism marketing program to carry the Oregon  
40 Tourism Commission logo and marketing tag line; and

41 (E) Encourages funding recipients to incorporate design elements from commission advertising  
42 and promotional campaigns, such as fonts, images and other design elements.

43 (5) All moneys in the account that are not state transient lodging tax revenues are continuously  
44 appropriated to the commission for the purposes of carrying out the functions of the commission.

45 (6) All expenditures from the account are exempt from any state expenditure limitation.

**SECTION 14.** ORS 320.300, as amended by section 3 of this 2012 Act, is amended to read:

320.300. As used in ORS 320.300 to 320.350:

(1) “Collection reimbursement charge” means the amount a transient lodging provider [*or a provider of residential care and services*] may retain as reimbursement for the costs incurred by the provider in collecting and reporting a transient lodging tax and in maintaining transient lodging tax records.

(2) “Conference center” means a facility that:

(a) Is owned or partially owned by a unit of local government, a governmental agency or a nonprofit organization; and

(b) Meets the current membership criteria of the International Association of Conference Centers.

(3) “Convention center” means a new or improved facility that:

(a) Is capable of attracting and accommodating conventions and trade shows from international, national and regional markets requiring exhibition space, ballroom space, meeting rooms and any other associated space, including but not limited to banquet facilities, loading areas and lobby and registration areas;

(b) Has a total meeting room and ballroom space between one-third and one-half of the total size of the center’s exhibition space;

(c) Generates a majority of its business income from tourists;

(d) Has a room-block relationship with the local lodging industry; and

(e) Is owned by a unit of local government, a governmental agency or a nonprofit organization.

(4) ‘Local transient lodging tax’ means a tax imposed by a unit of local government on the sale, service or furnishing of transient lodging.

(5) “Provider” means a person that furnishes transient lodging [*or that furnishes residential care and services*].

[(6) ‘Residential care and services’ has the meaning given that term in section 1 of this 2012 Act.]

[(7)] (6) “State transient lodging tax” means the tax imposed under ORS 320.305.

[(8)] (7) “Tourism” means economic activity resulting from tourists.

[(9)] (8) “Tourism promotion” means any of the following activities:

(a) Advertising, publicizing or distributing information for the purpose of attracting and welcoming tourists;

(b) Conducting strategic planning and research necessary to stimulate future tourism development;

(c) Operating tourism promotion agencies; and

(d) Marketing special events and festivals designed to attract tourists.

[(10)] (9) “Tourism promotion agency” includes:

(a) An incorporated nonprofit organization or governmental unit that is responsible for the tourism promotion of a destination on a year-round basis.

(b) A nonprofit entity that manages tourism-related economic development plans, programs and projects.

(c) A regional or statewide association that represents entities that rely on tourism-related business for more than 50 percent of their total income.

[(11)] (10) “Tourism-related facility”:

(a) Means a conference center, convention center or visitor information center; and

(b) Means other improved real property that has a useful life of 10 or more years and has a

1 substantial purpose of supporting tourism or accommodating tourist activities.

2 [(12)] (11) "Tourist" means a person who, for business, pleasure, recreation or participation in  
 3 events related to the arts, heritage or culture, travels from the community in which that person is  
 4 a resident to a different community that is separate, distinct from and unrelated to the person's  
 5 community of residence, and that trip:

- 6 (a) Requires the person to travel more than 50 miles from the community of residence; or
- 7 (b) Includes an overnight stay.

8 [(13)] (12) "Transient lodging" means:

- 9 (a) Hotel, motel and inn dwelling units that are used for temporary overnight human occupancy;
- 10 (b) Spaces used for parking recreational vehicles or erecting tents during periods of human oc-  
 11 cupancy; or
- 12 (c) Houses, cabins, condominiums, apartment units or other dwelling units, or portions of any  
 13 of these dwelling units, that are used for temporary human occupancy.

14 [(14)] (13) "Unit of local government" has the meaning given that term in ORS 190.003.

15 [(15)] (14) "Visitor information center" means a building, or a portion of a building, the main  
 16 purpose of which is to distribute or disseminate information to tourists.

17 **SECTION 15.** ORS 320.305, as amended by section 4 of this 2012 Act, is amended to read:

18 320.305. (1) A tax of one percent is imposed on any consideration rendered for the sale, service  
 19 or furnishing of[.]

20 [(a)] transient lodging and shall be in addition to and not in lieu of any applicable local transient  
 21 lodging tax[; or].

22 [(b) Residential care and services and shall be in lieu of any applicable local transient lodging  
 23 tax.]

24 (2) The tax shall be collected by the provider.

25 (3) A provider shall withhold five percent of the amount the provider collects under subsection  
 26 (2) of this section for the purpose of reimbursing the provider for the cost of tax collection, record  
 27 keeping and reporting.

28 **SECTION 16.** ORS 320.308, as amended by section 5 of this 2012 Act, is amended to read:

29 320.308. [(1)] The following are exempt from the state transient lodging tax:

30 [(a)] (1) A dwelling unit in a hospital, health care facility, long term care facility or any other  
 31 residential facility that is licensed, registered or certified by the Department of Human Services or  
 32 the Oregon Health Authority.

33 [(b)] (2) A dwelling unit in a facility providing treatment for drug or alcohol abuse or providing  
 34 mental health treatment.

35 [(c)] (3) A dwelling unit that is used by members of the general public for temporary human  
 36 occupancy for fewer than 30 days per year.

37 [(d)] (4) A dwelling unit, the consideration for which is funded through a contract with a gov-  
 38 ernment agency and the purpose of which is to provide emergency or temporary shelter.

39 [(e)] (5) A dwelling unit at a nonprofit youth or church camp, nonprofit conference center or  
 40 other nonprofit facility.

41 [(f)] (6) A dwelling unit that is leased or otherwise occupied by the same person for a consec-  
 42 utive period of 30 days or more during the year. The requirements of this [paragraph] **subsection**  
 43 are satisfied even if the physical dwelling unit changes during the consecutive period, if:

44 [(A)] (a) All dwelling units occupied are within the same facility; and

45 [(B)] (b) The person paying consideration for the transient lodging is the same person through-



1 out the consecutive period.

2 [(2) *The exemptions in subsection (1) of this section do not apply to dwelling units furnished by*  
 3 *providers of residential care and services.*]

4 **SECTION 17.** ORS 320.335, as amended by section 11 of this 2012 Act, is amended to read:

5 320.335. [(1)] All moneys received by the Department of Revenue pursuant to ORS 320.305 to  
 6 320.340, and interest thereon, shall be paid to the State Treasurer to be held in a suspense account  
 7 established under ORS 293.445. After the payment of refunds:

8 [(a)] (1) Moneys necessary to reimburse the Department of Revenue for the actual costs incurred  
 9 by the department in administering the state transient lodging tax, not to exceed two percent of  
 10 state transient lodging tax collections, are continuously appropriated to the department[; and].

11 [(b) *The balance of the moneys received shall be segregated and placed in two accounts. One ac-*  
 12 *count is composed of moneys remitted by providers of transient lodging and the second account is*  
 13 *composed of moneys remitted by providers of residential care and services.*]

14 (2) **The balance of the** moneys received [*from providers of transient lodging*] shall be transferred  
 15 to the account of the Oregon Tourism Commission established under ORS 284.131. The moneys  
 16 transferred under this subsection are continuously appropriated to the Oregon Tourism Commission  
 17 for the purposes set forth in ORS 284.131.

18 [(3) *Moneys received from providers of residential care and services shall be transferred to the*  
 19 *Department of Human Services Account established in ORS 409.060. The moneys transferred under this*  
 20 *subsection are continuously appropriated to the Department of Human Services for the purposes de-*  
 21 *scribed in section 1 of this 2012 Act.*]

22 **SECTION 18.** Section 1 of this 2012 Act is repealed.

23 **SECTION 19.** On the operative date specified in section 20 of this 2012 Act, all unexpended  
 24 moneys in the Department of Human Services Account established in ORS 409.060 that are  
 25 attributable to the collection of the tax under ORS 320.305 by providers of residential care  
 26 and services shall be refunded.

27 **SECTION 20.** Section 19 of this 2012 Act, the amendments to ORS 284.131, 320.300, 320.305,  
 28 320.308 and 320.335 by sections 13 to 17 of this 2012 Act and the repeal of section 1 of this 2012  
 29 Act by section 18 of this 2012 Act become operative on the earlier of:

30 (1) If the Centers for Medicare and Medicaid Services denies or withdraws approval of  
 31 federal financial participation for expenditures under ORS 320.335 (3), the effective date of  
 32 such action; or

33 (2) October 1, 2019.

34 **SECTION 21.** The Department of Human Services shall seek any federal approval that is  
 35 necessary to ensure that medical assistance expenditures made with moneys appropriated  
 36 to the department under ORS 320.335 (3) will qualify for federal financial participation. The  
 37 department shall immediately notify the Department of Revenue and the Legislative Counsel  
 38 if federal approval is necessary and, if so, the Department of Human Services shall imme-  
 39 diately notify the Department of Revenue and the Legislative Counsel upon the receipt, de-  
 40 nial or withdrawal of federal approval.

41 **SECTION 22.** The amendments to ORS 320.305 by section 4 of this 2012 Act apply to  
 42 consideration received by a provider of residential care and services on or after July 1, 2012.

43 **SECTION 23.** This 2012 Act takes effect on the 91st day after the date on which the 2012  
 44 regular session of the Seventy-sixth Legislative Assembly adjourns sine die.