

SB 5533
Lottery Bond Bill

Senate Bill 5533 authorizes \$141.3 million of lottery bond proceeds for a number of projects. All lottery bonds authorized for the 2013-15 biennium, are authorized in this bill. A total of \$157.6 million of lottery revenue bonds will be issued in the spring of 2015 to provide funds for the following:

- \$42 million to the Department of Transportation for Connect V grants and loans for multimodal transportation projects;
- \$12 million to add additional capital to the Oregon Business Development Department's Infrastructure Loan funds;
- \$10.5 million to the Department of Veterans' Affairs for the construction of a Veterans' Home facility in Roseburg;
- \$10 million each for an Oregon Convention Center hotel, the Coos Bay rail link, Regional Solutions team projects, and water supply projects;
- \$5 million to the Housing and Community Services Department for preservation of affordable housing;
- \$5 million to the State Department of Energy for the Clean Energy Deployment Fund, and \$5 million to acquire land and improvements in and around Willamette Falls;
- \$3.5 million each for Tribal Industrial Development and for the Salem-Keizer Transit Center;
- And, \$2.75 million for arts and cultural programs and digital switching equipment.

Debt service costs on these bonds are forecast to total \$26.9 million per biennium, beginning in 2015-17 when these costs are fully phased-in. Because the bonds will not be issued until the spring of 2015, there are no debt service payments due in the 2013-15 biennium.

The Capital Construction Subcommittee recommends Senate Bill 5533 be amended and reported out do pass, as amended.

77th OREGON LEGISLATIVE ASSEMBLY – 2013 Session
STAFF MEASURE SUMMARY

MEASURE: SB 5533-A

Joint Committee on Ways and Means

Carrier – House: Rep. Kotek
Carrier – Senate: Sen. Johnson

Revenue:

Fiscal: Fiscal statement issued

Action: Do Pass as Amended and be Printed A-Engrossed

Vote:

House

Yeas:

Nays:

Exc:

Senate

Yeas:

Nays:

Exc:

Prepared By: Steve Bender, Legislative Fiscal Office

Meeting Date: July 7, 2013

WHAT THE MEASURE DOES: Authorizes the issuance of lottery revenue bonds for specified projects. All lottery revenue bond issues that are authorized for the 2013-15 biennium are authorized in this bill.

A total of \$141,250,000 of lottery bonds proceeds are authorized to be spent. A total of \$157,557,715 of lottery revenue bonds are authorized in SB 5506 to generate the proceeds for the approved projects and to pay associated bond-related costs.

Authority to spend the bond proceeds for projects, and to pay for the cost of issuing the bonds, is included in individual agency budget bills, the capital construction bill (SB 5507), or in the budget reconciliation bill (HB 5008). Lottery revenue bonds will not be issued until the spring of 2015. As a result, debt service charges on the bonds first become due in the 2015-17 biennium.

Lottery revenue bonds are authorized for the following projects at the amounts indicated:

Lottery Bond Projects	SB 5533	Project Amount	2013-15	2015-17
	Bill Section	Amount	Debt Service	Debt Service
OBDD - Special Public Works Fund	1	12,000,000	0	2,511,791
OBDD - Regional Solutions Projects	2 - 4	10,000,000	0	2,094,966
OBDD - Arts and Cultural Programs	5 - 6	1,750,000	0	328,192
WRD - Water Supply Projects	7 - 7b	10,000,000	0	1,835,741
DOE - Clean Energy Deployment Fund	8	5,000,000	0	1,043,590
SPRD - Willamette Falls	9 - 10	5,000,000	0	912,494
ODOT - Connect Oregon V	11 - 12	42,000,000	0	7,639,029
Lane Transit District EmX Extension	13 - 14	12,000,000	0	2,193,283
Roseburg Veterans' Home	15 - 16	10,500,000	0	2,093,963
Oregon Convention Center Hotel	17	10,000,000	0	1,835,741
Tribal Industrial Development	18	3,500,000	0	637,464
Housing - Preservation of affordable housing	19	5,000,000	0	1,043,590
North Central ESD Digital Switching Equipment	20	1,000,000	0	216,157
Coos Bay Rail Link	21	10,000,000	0	1,835,741
Salem-Keizer Transit Center	22	3,500,000	0	637,464
Total Lottery Bond Projects		141,250,000	0	26,859,206

ISSUES DISCUSSED:

- Purpose of the bill
- Amounts of bonding authorized, and projects authorized to receive lottery revenue bond proceeds

EFFECT OF COMMITTEE AMENDMENT: Establishes authority for the approved lottery revenue bonds.

BACKGROUND: This is an omnibus bill that authorizes the issuance of lottery revenue bonds for various projects. Debt service on lottery revenue bonds is paid by lottery revenues.

FISCAL IMPACT OF PROPOSED LEGISLATION

Measure: SB 5533 - A

Seventy-Seventh Oregon Legislative Assembly – 2013 Regular Session
Legislative Fiscal Office

***Only Impacts on Original or Engrossed
Versions are Considered Official***

Prepared by: Steve Bender
Date: July 7, 2013

Measure Description:

Authorizes the issuance of lottery revenue bonds for the 2013-15 biennium.

Government Unit(s) Affected:

Oregon Business Development Department, Department of Administrative Services, Housing and Community Services Department, Water Resources Department, Department of Veterans' Affairs, State Parks and Recreation Department, Department of Transportation, Lane Transit District, Metro, North Central Education Service District, Salem-Keizer Transit District, Confederated Tribes of the Umatilla Indian Reservation, Port of Umatilla, International Port of Coos Bay

Local Government Mandate:

This bill does not affect local governments' service levels or shared revenues sufficient to trigger Section 15, Article XI of the Oregon Constitution.

Analysis:

This measure authorizes the issuance of lottery revenue bonds for a number of identified projects. All lottery revenue bond issues that are authorized for the 2013-15 biennium are authorized in this bill.

SB 5533 authorizes a total of \$141,250,000 of lottery bond proceeds for projects funded in the Department of Administrative Services, Oregon Business Development Department, Housing and Community Services Department, Water Resources Department, Department of Veterans' Affairs, State Parks and Recreation Department, and Department of Transportation budgets. A total of \$157,557,715 of lottery revenue bonds are authorized in SB 5506 to generate the proceeds for the approved projects and to pay associated bond-related costs. Authority to spend the proceeds for projects, and to pay for the cost of issuing the bonds, is included in individual agency budget bills, in SB 5507, or in HB 5008. The cost of issuance included in agency budgets for the bonds authorized in this bill total \$2,810,638 Other Funds.

The projected debt service costs for the bonds authorized in this bill total \$26.9 million Lottery Funds per biennium, when these costs are fully phased-in in the 2015-17 biennium. Because the bonds will not be issued until the spring of 2015, there are no debt service payments due in the 2013-15 biennium.

**PROPOSED AMENDMENTS TO
SENATE BILL 5533**

1 On page 1 of the printed bill, line 2, delete “530.181 and section”.

2 In line 3, delete “10” and insert “sections 4, 10 and 29” and after the first
3 semicolon insert “repealing section 18, chapter 624, Oregon Laws 2011;”.

4 On page 2, line 17, delete “\$300,678,296” and insert “\$288,226,252”.

5 On page 3, delete lines 21 through 45.

6 On page 4, delete lines 1 through 6 and insert:

7 **“SECTION 2. (1) For the biennium beginning July 1, 2013, at the**
8 **request of the Oregon Department of Administrative Services, after**
9 **the department consults with the Oregon Business Development De-**
10 **partment, the State Treasurer is authorized to issue lottery bonds**
11 **pursuant to ORS 286A.560 to 286A.585 in an amount that produces \$10**
12 **million in net proceeds and interest earnings for the purposes de-**
13 **scribed in subsection (2) of this section, plus an additional amount**
14 **estimated by the State Treasurer to be necessary to pay bond-related**
15 **costs.**

16 **“(2) Net proceeds of lottery bonds issued under this section and in-**
17 **terest earnings in an amount sufficient to provide \$10 million must be**
18 **transferred to the Oregon Business Development Department to pro-**
19 **vide grants and loans to local governments for infrastructure projects**
20 **including long-range planning, research and design. The grants and**
21 **loans are to be allocated by region and based on recommendations of**
22 **regionally-based planning committees designated by the department.**

1 **“(3) The Legislative Assembly finds that the use of lottery bond**
2 **proceeds will create jobs, further economic development, finance pub-**
3 **lic education or restore and protect parks, beaches, watersheds and**
4 **native fish and wildlife, and is authorized based on the following**
5 **findings:**

6 **“(a) Infrastructure projects will create jobs; and**

7 **“(b) Integrated development of infrastructure will establish a foun-**
8 **dation for expanding existing businesses and for developing and at-**
9 **tracting new businesses.”.**

10 In line 16, after “administer” insert “programs or projects financed with
11 moneys obtained pursuant to”.

12 Delete lines 25 through 45 and delete page 5 and insert:

13 **“SECTION 5. (1) For the biennium beginning July 1, 2013, at the**
14 **request of the Oregon Department of Administrative Services, after**
15 **the department consults with the Oregon Business Development De-**
16 **partment, the State Treasurer is authorized to issue lottery bonds**
17 **pursuant to ORS 286A.560 to 286A.585 in an amount that produces \$1.75**
18 **million in net proceeds and interest earnings for transfer to the**
19 **Oregon Business Development Department for deposit in the Cultural**
20 **Resources Economic Fund, established in section 6 of this 2013 Act, to**
21 **provide grants described in subsection (2) of this section, plus an ad-**
22 **ditional amount estimated by the State Treasurer to be necessary to**
23 **pay bond-related costs.**

24 **“(2) The Oregon Business Development Department shall grant:**

25 **“(a) \$1.5 million to the Confluence Project to finance a portion of**
26 **the costs incurred for the Confluence Project at the Celilo Park site.**

27 **“(b) \$250,000 to the High Desert Museum to finance programs or**
28 **projects at the High Desert Museum.**

29 **“(3) The Legislative Assembly finds that the use of lottery bond**
30 **proceeds will create jobs, further economic development, finance pub-**

1 **lic education or restore and protect parks, beaches, watersheds and**
2 **native fish and wildlife, and is authorized based on the following**
3 **findings:**

4 **“(a) Leveraging art and cultural resources to create vibrant public**
5 **spaces that integrate art and cultural and natural amenities, to sus-**
6 **tain Oregon’s rich arts and cultural experiences and to enhance a**
7 **strong sense of place and community identity.**

8 **“(b) The factors described in paragraph (a) of this subsection have**
9 **the effect of creating jobs, expanding business and tax revenues and**
10 **enhancing the economic vitality of Oregon communities.”.**

11 On page 6, line 1, delete “8” and insert “6”.

12 In line 4, delete “7” and insert “5”.

13 In line 8, delete “7” and insert “5”.

14 Delete lines 9 through 40.

15 In line 41, delete “11” and insert “7”.

16 In line 44, delete “\$10,850,000” and insert “\$10,000,000”.

17 On page 7, delete lines 2 through 10 and insert:

18 **“(2) Net proceeds of lottery bonds issued under this section and interest**
19 **earnings must be transferred to the Water Resources Department in an**
20 **amount sufficient to provide \$10,000,000 in net proceeds and interest earnings**
21 **to make grants or loans to develop and implement water storage systems and**
22 **delivery infrastructure, implement conservation and reuse projects, and pro-**
23 **vide access to new water supplies.”.**

24 After line 21, insert:

25 **“SECTION 7a. (1) If Senate Bill 839 becomes law, the moneys de-**
26 **scribed in section 7 (2) of this 2013 Act must be deposited in the Water**
27 **Supply Development Account established in section 3, chapter _____,**
28 **Oregon Laws 2013 (Enrolled Senate Bill 839).**

29 **“(2) If Senate Bill 839 does not become law, the moneys described**
30 **in section 7 (2) of this 2013 Act must be deposited in the Water Re-**

1 **sources Department Water Supply Fund established in section 10,**
2 **chapter 906, Oregon Laws 2009.**

3 **“SECTION 7b.** If Senate Bill 839 does not become law, section 10, chap-
4 ter 906, Oregon Laws 2009, as amended by section 5, chapter 624, Oregon
5 Laws 2011, is amended to read:

6 **“Sec. 10.** (1) The Water Resources Department Water Supply Fund is es-
7 tablished separate and distinct from the General Fund. Interest earned on
8 moneys deposited in the Water Resources Department Water Supply Fund
9 shall be credited to the fund. Moneys in the fund are continuously appro-
10 priated to the Water Resources Department.

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

12 **“(a)** Net proceeds of lottery bonds issued pursuant to sections 8 and 9,
13 chapter 906, Oregon Laws 2009, deposited into the Water Resources Depart-
14 ment Water Supply Fund for the following purposes:

15 **“(A)** \$2,500,000 for the purposes of issuing grants to develop Umatilla
16 Basin critical ground water storage projects described in section 17, chapter
17 907, Oregon Laws 2009, and to provide or pay for services in connection with
18 those projects.

19 **“(B)** \$217,000 to pay for the operation of loan and grant programs under
20 sections 18 to 27, chapter 907, Oregon Laws 2009.

21 **“(C)** \$283,000 for the purpose of developing an integrated state water re-
22 sources strategy to implement the state water resources policy pursuant to
23 ORS 536.220 and section 45, chapter 907, Oregon Laws 2009.

24 **“(D)** \$500,000 for purposes of the grant program established by section 1,
25 chapter 13, Oregon Laws 2008.

26 **“(b)** Net proceeds of lottery bonds issued pursuant to section 4, **chapter**
27 **624, Oregon Laws 2011, [of this 2011 Act]** in an amount sufficient to provide
28 \$1,229,052 in net proceeds and interest earnings for the department to finance
29 grants for feasibility studies for water conservation, reuse and storage
30 projects.

1 “(c) Net proceeds of lottery bonds issued pursuant to section 7 of
2 this 2013 Act in an amount sufficient to provide \$10,000,000 in net pro-
3 ceeds and interest earnings to develop and implement water storage
4 systems and delivery infrastructure, implement conservation and re-
5 use projects and provide new access to water supplies.

6 “[(c)] (d) Any other fees, revenues or income deposited in the fund by the
7 Legislative Assembly.”.

8 Delete lines 22 through 45 and delete page 8.

9 On page 9, delete lines 1 through 23 and insert:

10 “**SECTION 8.** (1) For the biennium beginning July 1, 2013, at the
11 request of the Oregon Department of Administrative Services, after
12 the department consults with the State Department of Energy, the
13 State Treasurer is authorized to issue lottery bonds pursuant to ORS
14 286A.560 to 286A.585 in an amount that produces \$5 million in net
15 proceeds and interest earnings for the purposes described in subsection
16 (2) of this section, plus an additional amount estimated by the State
17 Treasurer to be necessary to pay bond-related costs.

18 “(2) Net proceeds of lottery bonds issued under this section and in-
19 terest earnings must be transferred to the State Department of Energy
20 in an amount sufficient to provide \$5 million in net proceeds and in-
21 terest earnings for deposit in the Clean Energy Deployment Fund es-
22 tablished in ORS 470.800 for the purposes described in ORS 470.810.

23 “(3) The Legislative Assembly finds that the use of lottery bond
24 proceeds will create jobs, further economic development, finance pub-
25 lic education or restore and protect parks, beaches, watersheds and
26 native fish and wildlife, and is authorized based on the following
27 findings:

28 “(a) Increasing and promoting energy efficiency in structures and
29 operations statewide increases economic development and energy
30 conservation, and expands opportunities for new and emerging indus-

1 **tries in Oregon.**

2 **“(b) The projects made possible through increased funding of energy**
3 **efficiency programs creates jobs and furthers economic**
4 **development.”.**

5 In line 24, delete “16” and insert “9”.

6 In line 42, delete “17” and insert “10”.

7 In line 45, delete “16” and insert “9”.

8 On page 10, line 3, delete “16” and insert “9”.

9 In line 4, delete “18” and insert “11”.

10 In line 7, delete “\$22” and insert “\$42”.

11 In line 12, delete “\$22” and insert “\$42”.

12 In line 38, delete “19” and insert “12”.

13 In line 40, delete “18” and insert “11”.

14 On page 11, after line 6, insert:

15 **“SECTION 13. (1) For the biennium beginning July 1, 2013, at the**
16 **request of the Oregon Department of Administrative Services, after**
17 **the department consults with Lane Transit District, the State Treas-**
18 **urer is authorized to issue lottery bonds pursuant to ORS 286A.560 to**
19 **286A.585 in an amount that produces \$12 million in net proceeds and**
20 **interest earnings for the purpose described in subsection (2) of this**
21 **section, plus an additional amount estimated by the State Treasurer**
22 **to be necessary to pay bond-related costs.**

23 **“(2) Net proceeds of lottery bonds issued under this section in an**
24 **amount sufficient to provide \$12 million in net proceeds and interest**
25 **earnings for the department to deposit in the West Eugene EmX Ex-**
26 **tension Fund for disbursement to Lane Transit District for the West**
27 **Eugene EmX Extension, as defined in section 28, chapter 906, Oregon**
28 **Laws 2009.**

29 **“(3) The Legislative Assembly finds that the use of lottery bond**
30 **proceeds will create jobs, further economic development, finance pub-**

1 **lic education or restore and protect parks, beaches, watersheds and**
2 **native fish and wildlife, and is authorized based on the findings iden-**
3 **tified by the Legislative Assembly in section 28, chapter 906, Oregon**
4 **Laws 2009.**

5 **“SECTION 14.** Section 29, chapter 906, Oregon Laws 2009, as amended
6 by section 13, chapter 624, Oregon Laws 2011, is amended to read:

7 **“Sec. 29.** The West Eugene EmX Extension Fund is established in the
8 State Treasury, separate and distinct from the General Fund. Interest earned
9 on moneys in the West Eugene EmX Extension Fund shall be credited to the
10 fund. The West Eugene EmX Extension Fund consists of moneys deposited
11 in the fund under section 28, chapter 906, Oregon Laws 2009, [*and*] section
12 12 [*of this 2011 Act*], **chapter 624, Oregon Laws 2011, and section 13 of**
13 **this 2013 Act**, and may include fees, revenues or other income deposited into
14 the fund by the Legislative Assembly for payment of costs incurred to es-
15 tablish the West Eugene EmX Extension. Moneys in the fund are contin-
16 uously appropriated to the Oregon Department of Administrative Services
17 for:

18 “(1) Disbursement to the Lane Transit District of moneys appropriated
19 by the Legislative Assembly for the purpose of paying the costs incurred to
20 establish the West Eugene EmX Extension.

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

22 **“SECTION 15.** (1) **For the biennium beginning July 1, 2013, at the**
23 **request of the Oregon Department of Administrative Services, after**
24 **the department consults with the Department of Veterans’ Affairs, the**
25 **State Treasurer is authorized to issue lottery bonds pursuant to ORS**
26 **286A.560 to 286A.585 in an amount that produces \$10.5 million in net**
27 **proceeds and interest earnings for the purpose described in subsection**
28 **(2) of this section, plus an additional amount estimated by the State**
29 **Treasurer to be necessary to pay bond-related costs.**

30 **“(2) Net proceeds of lottery bonds issued under this section in an**

1 amount sufficient to provide \$10.5 million in net proceeds and interest
2 earnings must be transferred to the Department of Veterans' Affairs
3 and deposited in the Roseburg Veterans' Home Construction Fund es-
4 tablished in section 19, chapter 624, Oregon Laws 2011, for the purpose
5 of acquiring, developing, constructing and equipping the Roseburg
6 Veterans' Home.

7 “(3) The Legislative Assembly finds that the use of lottery bond
8 proceeds will create jobs, further economic development, finance pub-
9 lic education or restore and protect parks, beaches, watersheds and
10 native fish and wildlife, and is authorized based on the finding that
11 establishment of the Roseburg Veterans' Home will create jobs in
12 construction and health care fields.

13 “SECTION 16. Section 18, chapter 624, Oregon Laws 2011, is repealed
14 and section 15 of this 2013 Act is enacted in lieu thereof.

15 “SECTION 17. (1) For the biennium beginning July 1, 2013, at the
16 request of the Oregon Department of Administrative Services, after
17 the department consults with Metro, the State Treasurer is authorized
18 to issue lottery bonds pursuant to ORS 286A.560 to 286A.585 in an
19 amount that produces \$10 million in net proceeds and interest earnings
20 for the purpose described in subsection (2) of this section, plus an ad-
21 ditional amount estimated by the State Treasurer to be necessary to
22 pay bond-related costs.

23 “(2) Net proceeds of lottery bonds issued under this section in an
24 amount sufficient to provide \$10 million in net proceeds and interest
25 earnings must be transferred to the department for deposit in the
26 ODAS Economic Development Distributions Fund established in sec-
27 tion 23 of this 2013 Act for distribution to Metro for the purpose of
28 acquiring, developing, constructing and equipping the Oregon Con-
29 vention Center hotel project.

30 “(3) The Legislative Assembly finds that the use of lottery bond

1 proceeds will create jobs, further economic development, finance pub-
2 lic education or restore and protect parks, beaches, watersheds and
3 native fish and wildlife, and is authorized based on the finding that
4 establishment of the Oregon Convention Center hotel will create jobs
5 in construction and result in an increased flow of money to Oregon
6 generally and to businesses around the Oregon Convention Center by
7 increasing the viability of the Oregon Convention Center as a site for
8 national and international convention business.

9 **“SECTION 18. (1) For the biennium beginning July 1, 2013, at the**
10 **request of the Oregon Department of Administrative Services, after**
11 **the department consults with the Port of Umatilla and the Confeder-**
12 **ated Tribes of the Umatilla Indian Reservation, the State Treasurer is**
13 **authorized to issue lottery bonds pursuant to ORS 286A.560 to 286A.585**
14 **in an amount that produces \$3.5 million in net proceeds and interest**
15 **earnings for the purpose described in subsection (2) of this section,**
16 **plus an additional amount estimated by the State Treasurer to be**
17 **necessary to pay bond-related costs.**

18 **“(2) Net proceeds of lottery bonds issued under this section in an**
19 **amount sufficient to provide \$3.5 million in net proceeds and interest**
20 **earnings must be transferred to the department for deposit in the**
21 **ODAS Economic Development Distributions Fund established by sec-**
22 **tion 23 of this 2013 Act for distribution to the Confederated Tribes of**
23 **the Umatilla Indian Reservation for the purpose of acquiring, devel-**
24 **oping and constructing a 1.5-mile road extension connecting the Port**
25 **of Umatilla to certain industrial lands of the Confederated Tribes of**
26 **the Umatilla Indian Reservation.**

27 **“(3) The Legislative Assembly finds that the use of lottery bond**
28 **proceeds will create jobs, further economic development, finance pub-**
29 **lic education or restore and protect parks, beaches, watersheds and**
30 **native fish and wildlife, and is authorized based on the finding that**

1 **extension of the road will create jobs and facilitate access and devel-**
2 **opment of industrial lands.**

3 **“SECTION 19.** Section 4, chapter 906, Oregon Laws 2009, as amended by
4 section 3, chapter 624, Oregon Laws 2011, is amended to read:

5 **“Sec. 4.** (1) Pursuant to ORS 286A.560 to 286A.585, at the request of the
6 Oregon Department of Administrative Services, after the department consults
7 with the Housing and Community Services Department, the State Treasurer
8 is authorized to issue lottery bonds for the Housing and Community Services
9 Department to provide financial assistance to aid in the acquisition, reno-
10 vation or maintenance of section 8 housing or other housing with federal
11 rent subsidies.

12 **“(2)** The use of lottery bond proceeds is authorized based on the following
13 findings:

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

18 **“(b)** Having housing for at-risk populations is essential to Oregon’s
19 healthy economic growth.

20 **“(3)** The aggregate principal amount of lottery bonds issued pursuant to
21 subsection (1) of this section may not exceed the amount of [~~\$21,301,718~~]
22 **\$26,301,718** plus an additional amount estimated by the State Treasurer to
23 be necessary to pay bond-related costs as defined in ORS 286A.560.

24 **“SECTION 20.** (1) **For the biennium beginning July 1, 2013, at the**
25 **request of the Oregon Department of Administrative Services, after**
26 **the department consults with the North Central Education Service**
27 **District, the State Treasurer is authorized to issue lottery bonds pur-**
28 **suant to ORS 286A.560 to 286A.585 in an amount that produces \$1**
29 **million in net proceeds and interest earnings for the purpose described**
30 **in subsection (2) of this section, plus an additional amount estimated**

1 by the State Treasurer to be necessary to pay bond-related costs.

2 “(2) Net proceeds of lottery bonds issued under this section in an
3 amount sufficient to provide \$1 million in net proceeds and interest
4 earnings must be transferred to the department for deposit in the
5 ODAS Economic Development Distributions Fund established in sec-
6 tion 23 of this 2013 Act for distribution to the North Central Education
7 Service District for the purpose of acquiring digital switching equip-
8 ment needed to improve education and public safety services in the
9 three counties.

10 “(3) The Legislative Assembly finds that the use of lottery bond
11 proceeds will create jobs, further economic development, finance pub-
12 lic education or restore and protect parks, beaches, watersheds and
13 native fish and wildlife, and is authorized based on the finding that
14 education and public safety are necessary components of a climate
15 that facilitates and encourages economic development.

16 “SECTION 21. (1) For the biennium beginning July 1, 2013, at the
17 request of the Oregon Department of Administrative Services, after
18 the department consults with the Department of Transportation and
19 the Oregon International Port of Coos Bay, the State Treasurer is
20 authorized to issue lottery bonds pursuant to ORS 286A.560 to 286A.585
21 in an amount that produces \$10 million in net proceeds and interest
22 earnings for the purpose described in subsection (2) of this section,
23 plus an additional amount estimated by the State Treasurer to be
24 necessary to pay bond-related costs.

25 “(2) Net proceeds of lottery bonds issued under this section in an
26 amount sufficient to provide \$10 million in net proceeds and interest
27 earnings must be transferred to the Department of Transportation for
28 deposit in the DOT Economic Development Distributions Fund estab-
29 lished in section 24 of this 2013 Act for distribution to the Oregon
30 International Port of Coos Bay for the purpose of acquiring, con-

1 **structing or improving the Coos Bay rail link, as defined in ORS**
2 **777.915.**

3 **“(3) The Legislative Assembly finds that the use of lottery bond**
4 **proceeds will create jobs, further economic development, finance pub-**
5 **lic education or restore and protect parks, beaches, watersheds and**
6 **native fish and wildlife, and is authorized based on the finding that**
7 **improvements in multimodal transportation systems are necessary to**
8 **facilitate the flow of goods and services to national and international**
9 **markets through the deep-water port at Coos Bay.**

10 **“SECTION 22. (1) For the biennium beginning July 1, 2013, at the**
11 **request of the Oregon Department of Administrative Services, after**
12 **the department consults with the Department of Transportation and**
13 **Salem-Keizer Transit, the State Treasurer is authorized to issue lot-**
14 **tery bonds pursuant to ORS 286A.560 to 286A.585 in an amount that**
15 **produces \$3.5 million in net proceeds and interest earnings for the**
16 **purpose described in subsection (2) of this section, plus an additional**
17 **amount estimated by the State Treasurer to be necessary to pay**
18 **bond-related costs.**

19 **“(2) Net proceeds of lottery bonds issued under this section in an**
20 **amount sufficient to provide \$3.5 million in net proceeds and interest**
21 **earnings must be transferred to the Department of Transportation for**
22 **deposit in the DOT Economic Development Distributions Fund estab-**
23 **lished in section 24 of this 2013 Act for distribution to Salem-Keizer**
24 **Transit for the purpose of acquiring, constructing or improving the**
25 **Salem-Keizer Transit Center.**

26 **“(3) The Legislative Assembly finds that the use of lottery bond**
27 **proceeds will create jobs, further economic development, finance pub-**
28 **lic education or restore and protect parks, beaches, watersheds and**
29 **native fish and wildlife, and is authorized based on the finding that**
30 **improvements in public transportation systems are necessary to facil-**

1 itate the flow of members of the workforce and consumers of all
2 manner of goods and services in an efficient manner.

3 **“SECTION 23. (1) The ODAS Economic Development Distributions**
4 **Fund is established in the State Treasury, separate and distinct from**
5 **the General Fund. Interest earned on the moneys in the ODAS Eco-**
6 **nomic Development Distributions Fund shall be credited to the fund.**
7 **The fund consists of lottery bond proceeds appropriated to the Oregon**
8 **Department of Administrative Services for further distribution to**
9 **public or private entities that do not receive appropriations directly**
10 **from the Legislative Assembly and interest credited to the fund.**

11 **“(2) Moneys in the fund are continuously appropriated to the**
12 **Oregon Department of Administrative Services for the purpose of dis-**
13 **tributions described in subsection (1) of this section.**

14 **“SECTION 24. (1) The DOT Economic Development Distributions**
15 **Fund is established in the State Treasury, separate and distinct from**
16 **the General Fund. Interest earned on the moneys in the DOT Eco-**
17 **nomic Development Distributions Fund shall be credited to the fund.**
18 **The fund consists of lottery bond proceeds appropriated to the De-**
19 **partment of Transportation for further distribution to public or pri-**
20 **vate entities that do not receive appropriations directly from the**
21 **Legislative Assembly and interest credited to the fund.**

22 **“(2) Moneys in the fund are continuously appropriated to the De-**
23 **partment of Transportation for the purpose of distributions described**
24 **in subsection (1) of this section.”.**

25 In line 7, delete “20” and insert “25”.

26 _____