

**House Bill 2322
Program Change**

House Bill 2322 as amended makes the necessary changes in statutes and session laws to support the 2013-15 legislatively adopted budget, to clarify the application of statutes for the budget, and to modify provisions relating to the use of funds. Specifically, the measure:

- Authorizes the Department of Education to make grants to certain schools to improve student achievement;
- Authorizes a transfer of up to \$12 million from the State School Fund to the Network of Quality Teaching and Learning Fund established by HB 2506;
- Provides resources for non-Portland resident students who receive services from the Providence long-term care facility and services from Portland Schools;
- Continues the suspension of certain Temporary Assistance for Needy Families program services;
- Expands the Military Department's eligible use of the Oregon Local Disaster Assistance Loan and Grant Account to include non-federally declared disasters;
- Permits counties to reallocate monies for county law libraries to conciliation and mediation services in circuit courts;
- Transforms the Citizen's Initiative Review Commission into a semi-independent state agency;
- Modifies allocations of transportation funding;
- Provides two salary increases for statutory judgeships;

- Provides a salary increase for the Governor, the Secretary of State, the State Treasurer, the Attorney General, and the Commissioner of Labor and Industries;
- Specifies \$32.4 million of liquor revenue attributable to the \$0.50 per bottle surcharge be distributed to the General Fund;
- Transfers \$36.1 million of various fund balances to the General Fund for general governmental purposes;
- Modifies statutes related to the state's divestiture of investments in the Sudan;
- Allows the State Treasurer to establish conditions by which a school district may qualify for state guaranty of school bonds;
- And, makes various other changes specified in the fiscal impact statement and staff measure summary.

The Capital Construction Subcommittee recommends HB 2322 be amended and reported out do pass, as amended.

Joint Committee on Ways and Means

Carrier – House: Rep. Buckley
Carrier – Senate: Sen. Devlin

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: Ken Rocco, Legislative Fiscal Office

Meeting Date: July 7, 2013

WHAT THE MEASURE DOES: This measure implements statutory changes necessary to support the legislatively approved budget and to clarify the application of statutes. This measure, relating to state financial administration, is not an appropriation bill and therefore does not include the appropriation of funds. The measure, however, is necessary to achieve a balanced budget for the 2013-15 biennium. The measure is effective on passage.

The fiscal or budgetary impacts of provisions of this measure are contained in HB 5008, which is the budget reconciliation bill for the 2013-15 biennium, or in other specific agency budget measures. The major provisions, by program area, are:

Education Program Area: Allows for sale of excess School for the Deaf property with proceeds used to offset deferred maintenance cost; provides additional resources for Portland Public Schools relating to non-Portland resident students who receive services from the Providence long-term care facility and educational related services from Portland Schools; Authorizes the Department of Education to make grants to certain schools to improve student achievement; Universities with a government board subject to statute related to art work acquisitions under ORS 276.090, if Senate Bill 270 becomes law; and authorizes a transfer of up to \$12 million from the State School Fund to the Network of Quality Teaching and Learning Fund established by HB 2506.

Human Services Program Area: Continues, for two more years, the suspension of certain Temporary Assistance for Needy Families (TANF) program services; conforms Oregon Reinsurance Program eligibility to changes in administration of the federal high risk pool; clarifies that receipt of state funds for providing services, rather than entity making payment, is part of criteria defining “adult foster care home provider” as used in ORS 443.733; and allows use of Quality Care Fund established under ORS 443.001, on a one-time basis, for operating expenses of fund-related programs.

Public Safety Program Area: Repeals obsolete Military Department revolving fund and payment requirements; expands the eligible use of the Oregon Local Disaster Assistance Loan and Grant Account to include non-federally declared disasters; transfers Department of Justice Protection and Education Fund monies to the General Fund; provides statutory salary increase(s) for statutory judgeships; permits counties to reallocate up to one-half of monies appropriated for county law libraries and law library services to conciliation and mediation services in circuit courts; provides statutory salary increase for Attorney General; and allows the Judicial Department to establish rules for electronic application and modifies fee.

Economic and Community Development Program Area: Transfers Supplemental Employment Department Administrative Fund to the General Fund and transfers Public Purpose Charge revenue from the Housing and

Community Services Department's Energy Conservation Helping Oregonians program to the Oregon Department of Energy's Clean Energy Deployment Fund.

Natural Resources Program Area: Eliminates the County Fair Commission at Department of Agriculture and makes the Department of Administrative Services responsible for payments to county fairs; and transfers Department of Environmental Quality funds in the Assessment Deferral Loan Program Revolving Fund to the General Fund.

Transportation Program Area: Modifies previously approved allocations from the State Highway Fund: \$650,000 for project development of the Cornelius Pass Road; \$3.6 million to the City of Portland for project development and construction of sidewalks and other pedestrian facilities on South East 136th Avenue; and \$4.9 million to the Department of Transportation for the development of the Outer Powell Boulevard project; and modifies previously approved allocation from Transportation Program Development: \$1.5 million for Westside Transportation Solutions Study.

Consumer and Business Services Program Area: Provides statutory salary increase for the Commissioner of the Bureau of Labor and Industry

Administration Program Area: Transfers Department of Revenue remaining Tax Amnesty Fund to the General Fund; allows Department of Revenue to continue to use tobacco tax moneys for enforcement purposes; extends statutory date for the Government Ethics Commission to complete an online reporting system; changes the statutory reporting date for the Transparency Oregon Advisory Commission; transforms the Citizen's Initiative Review Commission into a semi-independent state agency; transfers Department of Administrative Services Insurance Fund to the General Fund; modifies distribution of Central Government Service Charge; directs quarterly reporting of state agency pay-line exceptions; specifies that liquor revenue attributable to the \$0.50 per bottle surcharge imposed by the Oregon Liquor Control Commission is distributed to the General Fund; repeals transfer of Lottery Funds ending balance to the School Capital Matching Fund; reverts unexpended Lottery Funds (non-Ballot Measure 76) to the Department of Administrative Services – Economic Development Fund; remedies technical issues with the Strategic Investment Program and establishes a payment schedule; transfers Secretary of State business registration fee revenues to the General Fund; removes Secretary of State Archives Division funding from the Central Government Service Charge; provides statutory salary increase for State Treasurer, Secretary of State, and Governor; modifies statutes related to the state's divestiture of investments in the Sudan; allows the State Treasurer to establish conditions by which a school district may qualify or maintain qualification for state guaranty of its school bonds; and repeals reporting requirements of state agencies to the Legislature of responses to Secretary of State audit recommendations.

ISSUES DISCUSSED:

- Need for program change bill
- Transfers of funds from agency accounts to the General Fund
- Relation to HB 5008 the budget reconciliation bill
- Fiscal impact of the measure

EFFECT OF COMMITTEE AMENDMENT: Replaces the measure.

BACKGROUND: This measure is the Joint Committee on Ways and Means program change bill. Similar measures are introduced each legislative session. This measure, relating to state financial administration, is not an appropriation bill and therefore does not include the appropriation of funds.

FISCAL IMPACT OF PROPOSED LEGISLATION

Measure: HB 2322 - A

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

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

Prepared by: John Borden
Reviewed by: Ken Rocco, Daron Hill, Doug Wilson, Paul Siebert, Linda Ames, Laurie Byerly,
Monica Brown, Steve Bender, Michelle Deister, Susan Jordan, Linda Gilbert, and John Borden
Date: July 7, 2013

Measure Description:

HB 2322-A implements the statutory changes necessary to support the legislatively adopted budget and to clarify the application of statutes.

Government Unit(s) Affected:

Department of Education; Government Ethic Commission; Military Department; Housing and Community Services Department, Department of Energy; Secretary of State; Oregon Health Authority; Department of Human Services; Department of Justice; Oregon Judicial Department; Oregon Liquor Control Commission; Department of Revenue; Department of Administrative Services; Department of Environmental Quality; Department of Agriculture; Oregon University System; Citizen’s Initiative Review Commission; Legislative Fiscal Office; Legislative Fiscal Office; State Treasurer; Bureau of Labor and Industries; Employment Department; Department of Transportation, school districts, and counties

Summary of Expenditure Impact:

See Analysis.

Summary of Revenue Impact:

See Legislative Revenue Office Impact Statement

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 implements statutory changes necessary to support the legislatively approved budget and to clarify the application of statutes. This measure, relating to state financial administration, is not an appropriation bill and therefore does not include the appropriation of funds. The measure, however, is necessary to achieve a balanced budget for the 2013-15 biennium. The measure is effective on passage.

The budgetary impacts of provisions of this measure are contained in HB 5008, which is the budget reconciliation bill for the 2013-15 biennium, or specific agency budget measures.

Other Funds transfers provided in this measure are one-time in nature and only apply to the 2013-15 biennium. Unless otherwise noted, the transfers are to be made on the effective date of the measure.

The following table summarizes, by section and agency, the fiscal impact of this measure.

Section/Gov't Unit	Program Change	Fiscal Impact
§1 Department of Revenue	Transfers remaining Tax Amnesty Fund to the General Fund for general governmental purposes.	\$5,478,292 General Fund revenue

Section/Gov't Unit	Program Change	Fiscal Impact
§2 & §3 Department of Revenue	Allows through a permanent statutory change the continued use of tobacco tax moneys for enforcement purposes.	No fiscal impact
§4 & §5 Government Ethics Commission	Extends by one year, or until 2016, the statutory date for the completion of an online reporting system for Statements of Economic Interest.	No fiscal impact
§6 Military Department	Repeals obsolete revolving fund, and requirements for payments to members of the National Guard who develop cancer under certain circumstances, reimbursement of hunting licenses, and for local militia unit funds.	No fiscal impact
§7 Department of Environmental Quality	Transfers balance of the inactive Assessment Deferral Loan Program Revolving Fund to the General Fund for general governmental purposes.	\$1,655,000 General Fund revenue
§8 to §10 Department of Agriculture Department of Administrative Services	County Fair Commission; Eliminates the County Fair Commission. The Department of Administrative Services becomes responsible for payments to county fairs.	(\$21,380) Lottery Funds Department of Agriculture \$21,380 Lottery Funds Department of Administrative Services
§11 to §22 Citizen's Initiative Review Commission	Transforms the Citizen's Initiative Review Commission into a semi-independent state agency.	<\$16,401> Other Funds
§23 to §26 Department of Human Services	Continues, for two more years, the suspension of certain Temporary Assistance for Needy Families (TANF) program services that are also unfunded in the 2011-13 biennium; fiscal impact reflects associated savings.	<\$22,204,700> General Fund
§27 Transparency Oregon Advisory Commission	Changes the statutory date under ORS 184.486(13) that the Transparency Oregon Advisory Commission must report to the Legislature from January 15 to February 15 of each odd-numbered year.	No fiscal impact

Section/Gov't Unit	Program Change	Fiscal Impact
§28 Department of Education Department of Administrative Services	Sale or lease of excess School for the Deaf property; proceeds would be used to offset deferred maintenance cost. The fiscal for this section is indeterminate but will provide resources to address multiple deferred maintenance needs at the School for the Deaf where General Fund resources in future biennia may have had to be used.	Indeterminate fiscal impact
§29 Oregon Liquor Control Commission	This change results in \$32.4 million in liquor revenue attributable to the \$0.50 per bottle surcharge imposed by the OLCC will be distributed to the General Fund.	No fiscal impact
§30 Employment Department	\$10 million is transferred from the Supplemental Employment Department Administrative Fund to the General Fund for general government purposes.	\$10,000,000 General Fund revenue
§31 Housing and Community Services Department Department of Energy	\$4.8 million of unexpended Public Purpose Charge revenue is transferred from the Housing and Community Services Department's Energy Conservation Helping Oregonians program to the Oregon Department of Energy's Clean Energy Deployment Fund for coordination of home energy efficiency assessments, financing and contracting activities.	(\$4,800,000) Other Funds Housing and Community Services Department \$4,800,000 Other Funds Department of Energy
§32 Oregon Health Authority	Conforms Oregon Reinsurance Program eligibility to changes in administration of the federal high risk pool.	No fiscal impact
§32a Oregon Health Authority	Clarifies that receipt of state funds for providing services, rather than entity making payment, is part of criteria defining "adult foster care home provider" as used in ORS 443.733.	No fiscal impact
§33 Department of Administrative Services	Transfers funds from the Insurance Fund to the General Fund for general governmental purposes. Following the transfer, the projected fund balance will be about \$96 million. The transfer does increase the program's unfunded liability, as liabilities are currently estimated to be \$118 million.	\$10,000,000 General Fund revenue

Section/Gov't Unit	Program Change	Fiscal Impact
§34 Department of Justice	Transfers Department of Justice Protection and Education Fund monies to the General Fund for general governmental purposes.	\$5,000,000 General Fund revenue
§35 Military Department	Expands the eligible use of the Oregon Local Disaster Assistance Loan and Grant Account to include non-federally declared disasters as determined by the Legislature or the Emergency Board.	No fiscal impact
§36 Department of Human Services	Allows use of the Quality Care Fund established under ORS 443.001, on a one-time basis, for operating expenses of fund-related programs.	\$1,250,000 Other Funds
§37 to §39 Department of Administrative Services Department of Education	School Capital Matching Fund – repeals transfer of Lottery Funds ending balance to the School Capital Matching Fund.	No fiscal impact
§40 Secretary of State	Transfers Secretary of State business registration fee revenues to the General Fund for general governmental purposes.	\$4,000,000 General Fund revenue
§41 to §44a Oregon Judicial Department	Judicial Salaries – increases salaries of judges by \$5,000 per year, beginning on January 1, 2014, and by an additional \$5,000 beginning on January 1, 2015. The cost will be \$5,159,624 General Fund in the 2015-17 biennium.	\$2,539,916 General Fund
§45 Office of the Governor Secretary of State State Treasurer Attorney General Commissioner of Bureau of Labor and Industries	Elected State Officer Salaries – increase salary by \$5,000 per year, beginning on January 1, 2014. The cost of salaries totals \$37,500 with \$8,370 of other payroll expenses.	\$45,870 All Funds

Section/Gov't Unit	Program Change	Fiscal Impact
§45a Judicial Department Office of the Governor Secretary of State State Treasurer Attorney General Commissioner of Bureau of Labor and Industries	Specifies the operative date(s) of statutory judgeship and elected state officer salary increase(s).	No fiscal impact
§46 to §48 Legislative Fiscal Office	Modify distribution of Central Government Service Charge.	(\$3,000,000) General Fund \$3,000,000 Other Funds
§46(3)(e) Secretary of State	Removes Archives Division from Central Government Service Charge.	(\$1,519,471) Other Funds (\$1,519,471) General Fund
§49 to §54 Department of Administrative Services Department of Revenue Oregon Business Development Department	Shared Services Fund technical adjustments and establishes a payment schedule.	No fiscal impact
§55 to §63 Oregon Judicial Department	Provides for the development of rules for electronic applications and modifies fees.	No fiscal impact
§64 Oregon Judicial Department - County Law Libraries and Family Mediation programs	Permits counties to reallocate up to one- half of monies appropriated for county law libraries and law library services to conciliation and mediation services in circuit courts. The maximum amount that could potentially be reallocated equals \$3,534,068.	Indeterminate fiscal impact
§65 Department of Administrative Services	Pay-line exception review by Legislative Fiscal Office and Joint Committee on Ways and Means.	No fiscal impact

Section/Gov't Unit	Program Change	Fiscal Impact
§66 Multiple agencies	Transfers occur on the effective date, unless otherwise noted.	No fiscal impact
§67 to §75 State Treasurer	Repeals current law on divesture of state investments in Sudan; State Treasurer to adopt policy statement related to engagement of private investment managers with investments in the Sudan.	No fiscal impact
§76 to §79 State Treasurer	Allows the State Treasurer to establish conditions by which a school district may qualify or maintain qualification for state guaranty of its school bonds.	Indeterminate fiscal impact
§80 Oregon University System	Universities with a government board subject to statute related to art work acquisitions under ORS 276.090, if Senate Bill 270 becomes law.	No fiscal impact
§81 Department of Education	Provide additional resources for Portland Public Schools relating to non-Portland resident students who receive services from the Providence long-term care facility and educational related services from Portland Schools. The resources would be from a separate distribution from the State School Fund of \$500,000. There would not be any additional resources appropriated or provided to the State School Fund. There would be an impact to school districts and educational service districts since there would be \$500,000 less available for general distribution through the state school formula.	No fiscal impact
§82 and §83 Department of Education	Establishes a grant program for the 2013-15 biennium only which provides funding to add one licensed teacher for schools that are in the bottom five percent of schools serving K-8 students based on the rating system used to measure performance. At least two schools per congressional district are to receive these grants. HB 5008 includes \$1.5 million General Fund for these grants.	No fiscal impact

Section/Gov't Unit	Program Change	Fiscal Impact
§84 Department of Transportation	Modifies previously approved allocations from the State Highway Fund: \$650,000 for project development of the Cornelius Pass Road; \$3.6 million to the City of Portland for project development and construction of sidewalks and other pedestrian facilities on South East 136th Avenue; and \$4.9 million to the Department of Transportation for the development of the Outer Powell Boulevard project.	No fiscal impact
§85 Department of Transportation	Modifies previously approved allocation from Transportation Program Development: \$1.5 million for Westside Transportation Solutions Study.	No fiscal impact
§86 and §87 Department of Administrative Services State agencies with Ballot Measure 76 funding	Reverts unexpended Lottery Funds (non-Ballot Measure 76) back to the Department of Administrative Services – Economic Development Fund, with the exception of allocations for capital construction, continuing contracts, contested claims, or other specifically identified allocations.	No fiscal impact
§88 State agencies	Repeals ORS 297.075 reporting requirements of state agencies to the Legislature of responses to Secretary of State audit recommendations.	No fiscal impact
§89 and §90 Department of Education	Authorizes a transfer of up to \$12 million from the State School Fund to the Network of Quality Teaching and Learning Fund established by HB 2506. This transfer is only authorized if the State Land Board transfers an amount from the Common School Fund earnings greater than their standard distribution amount set out in Board policy.	No fiscal impact
§91 and §92	Captions and emergency clause.	No fiscal impact

**PROPOSED AMENDMENTS TO
HOUSE BILL 2322**

1 In line 2 of the printed bill, after the first semicolon delete the rest of the
2 line and insert “creating new provisions; amending ORS 1.002, 7.124, 7.240,
3 19.250, 19.365, 19.370, 21.345, 182.454, 184.486, 250.137, 250.139, 250.147, 250.149,
4 251.185, 285C.615, 285C.635, 285C.639, 286A.806, 291.272, 291.278, 292.311,
5 292.406, 292.411, 292.416, 292.426, 293.812, 316.502, 323.455, 323.625, 328.331,
6 328.346, 401.536, 443.733, 565.021 and 565.445 and sections 8b and 9e, chapter
7 877, Oregon Laws 2007, section 11, chapter 365, Oregon Laws 2011, sections
8 1, 7 and 8, chapter 604, Oregon Laws 2011, section 16, chapter ___, Oregon
9 Laws 2013 (Enrolled Senate Bill 270), and section 2, chapter ___, Oregon
10 Laws 2013 (Enrolled House Bill 3458); repealing ORS 250.137, 250.139, 250.141,
11 250.143, 250.146, 250.147, 250.149, 293.814, 293.815, 293.816, 293.817, 297.075,
12 396.350, 396.366, 396.370, 399.095, 461.558, 565.405, 565.410, 565.415, 565.420,
13 565.435, 565.440, 565.442, 565.443, 565.449 and 565.450 and sections 3 and 11,
14 chapter 365, Oregon Laws 2011; and declaring an emergency.”.

15 Delete lines 4 through 9 and insert:
16

17 **“DEPARTMENT OF REVENUE**
18

19 **“SECTION 1. Notwithstanding section 7, chapter 710, Oregon Laws**
20 **2009, the amount of \$5,478,292 is transferred from the Tax Amnesty**
21 **Fund to the General Fund for general governmental purposes.**

22 **“SECTION 2. ORS 323.455 is amended to read:**

1 “323.455. (1) All moneys received by the Department of Revenue from the
2 tax imposed by ORS 323.030 (1) shall be paid over to the State Treasurer to
3 be held in a suspense account established under ORS 293.445. The department
4 may pay expenses for administration **and enforcement** of ORS 323.005 to
5 323.482 out of moneys received from the tax imposed under ORS 323.030 (1).
6 Amounts necessary to pay administrative **and enforcement** expenses are
7 continuously appropriated to the department from the suspense account. Af-
8 ter the payment of administrative **and enforcement** expenses and refunds,
9 89.65 percent shall be credited to the General Fund, 3.45 percent is appro-
10 priated to the cities of this state, 3.45 percent is appropriated to the counties
11 of this state and 3.45 percent is continuously appropriated to the Department
12 of Transportation for the purpose of financing and improving transportation
13 services for elderly individuals and individuals with disabilities as provided
14 in ORS 391.800 to 391.830.

15 “(2) The moneys so appropriated to cities and counties shall be paid on
16 a monthly basis within 35 days after the end of the month for which a dis-
17 tribution is made. Each city shall receive such share of the money appro-
18 priated to all cities as its population, as determined under ORS 190.510 to
19 190.590 last preceding such apportionment, bears to the total population of
20 the cities of the state, and each county shall receive such share of the money
21 as its population, determined under ORS 190.510 to 190.590 last preceding
22 such apportionment, bears to the total population of the state.

23 “(3) The moneys appropriated to the Department of Transportation under
24 subsection (1) of this section shall be distributed and transferred to the El-
25 derly and Disabled Special Transportation Fund established by ORS 391.800
26 at the same time as the cigarette tax moneys are distributed to cities and
27 counties under this section.

28 “(4) Of the moneys credited to the General Fund under this section 51.92
29 percent shall be dedicated to funding the maintenance and expansion of the
30 number of persons eligible for the medical assistance program under ORS

1 chapter 414, or to funding the maintenance of the benefits available under
2 the program, or both, and 5.77 percent shall be credited to the Tobacco Use
3 Reduction Account established under ORS 431.832.

4 **“SECTION 3.** ORS 323.625 is amended to read:

5 “323.625. All moneys received by the Department of Revenue under ORS
6 323.500 to 323.645 shall be deposited in the State Treasury and credited to a
7 suspense account established under ORS 293.445. The department may pay
8 expenses for administration **and enforcement** of ORS 323.500 to 323.645 out
9 of moneys received from the taxes imposed under ORS 323.505 and 323.565.
10 Amounts necessary to pay administrative **and enforcement** expenses are
11 continuously appropriated to the department from the suspense account. Af-
12 ter the payment of administrative **and enforcement** expenses and refunds
13 or credits arising from erroneous overpayments, the balance of the money
14 shall be credited to the General Fund. Of the amount credited to the General
15 Fund under this section 41.54 percent shall be dedicated to funding the
16 maintenance and expansion of the number of persons eligible for the medical
17 assistance program under ORS chapter 414, or to funding the maintenance
18 of the benefits available under the program, or both, and 4.62 percent shall
19 be credited to the Tobacco Use Reduction Account established under ORS
20 431.832.

21

22 **“OREGON GOVERNMENT ETHICS COMMISSION**

23

24 **“SECTION 4.** Section 8b, chapter 877, Oregon Laws 2007, as amended by
25 section 24, chapter 68, Oregon Laws 2009, and section 78, chapter 630, Oregon
26 Laws 2011, is amended to read:

27 **“Sec. 8b.** The amendments to ORS 171.772 by section 8a, chapter 877,
28 Oregon Laws 2007, become operative January 1, [2015] **2016.**

29 **“SECTION 5.** Section 9e, chapter 877, Oregon Laws 2007, as amended by
30 section 25, chapter 68, Oregon Laws 2009, and section 79, chapter 630, Oregon

1 Laws 2011, is amended to read:

2 “**Sec. 9e.** The amendments to ORS 244.290 by section 9d, chapter 877,
3 Oregon Laws 2007, become operative January 1, [2015] **2016.**

4

5 “**MILITARY DEPARTMENT REVOLVING FUND**

6

7 “**SECTION 6. ORS 396.350, 396.366, 396.370 and 399.095 are repealed.**

8

9 “**ASSESSMENT DEFERRAL LOAN PROGRAM REVOLVING FUND**

10

11 “**SECTION 7. Notwithstanding ORS 454.436, the amount of \$1,655,000**
12 **is transferred from the Assessment Deferral Loan Program Revolving**
13 **Fund to the General Fund for general governmental purposes.**

14

15 “**COUNTY FAIR COMMISSION**

16

17 “**SECTION 8. ORS 565.405, 565.410, 565.415, 565.420, 565.435, 565.440,**
18 **565.442, 565.443, 565.449 and 565.450 are repealed.**

19 “**SECTION 9. ORS 565.021 is amended to read:**

20 “565.021. (1) The State Parks and Recreation Director shall appoint a
21 State Fair Advisory Committee to provide advice and assistance to the di-
22 rector on matters regarding the operation of the Oregon State Fair.

23 “(2) The advisory committee shall consist of seven members appointed by
24 the director for four-year terms. The director shall appoint:

25 “(a) A resident from each congressional district of Oregon. The director
26 shall seek to ensure that those persons reflect a broad-based representation
27 of the industrial, educational and cultural interests active in state fair ac-
28 tivities, such as agricultural, stock raising, horticultural, mining, mechan-
29 ical, artistic and industrial pursuits.

30 “(b) Two persons to represent county fair interests. [*The director may give*

1 *consideration to nominations suggested by the County Fair Commission estab-*
2 *lished under ORS 565.410.]*

3 “(3) The members of the advisory committee serve at the pleasure of the
4 director. The director may fill a vacancy on the advisory committee by ap-
5 pointing a person to fill the unexpired term.

6 “(4) Each member of the advisory committee is entitled to compensation
7 and reimbursement of expenses, as provided in ORS 292.495, from moneys
8 appropriated to the State Parks and Recreation Department for that purpose.

9 “(5) The advisory committee shall select one of its members as chair-
10 person and another as vice chairperson, for such terms and with such duties
11 and powers necessary for the performance of the functions of those offices
12 as the advisory committee determines appropriate.

13 “(6) The advisory committee shall meet at the call of the director.

14 **“SECTION 10.** ORS 565.445 is amended to read:

15 “565.445. (1) The County Fair Account is established separate and distinct
16 from the General Fund. All moneys in the account are continuously appro-
17 priated to the [*County Fair Commission*] **Oregon Department of Adminis-**
18 **trative Services.**

19 “(2) The account shall consist of moneys allocated under ORS 565.447.
20 [*Moneys credited to the account may be expended by the County Fair Com-*
21 *mission for the administration of ORS 565.410 to 565.450, not to exceed \$40,000*
22 *per biennium.*]

23 “(3) [*Subject to ORS 565.442 (2) and subsection (2) of this section,*] On the
24 first business day of each calendar year the [*County Fair Commission*]
25 **Oregon Department of Administrative Services** shall disburse the moneys
26 in the County Fair Account to the county fair boards in equal shares.

27

28 **“CITIZENS’ INITIATIVE REVIEW COMMISSION**

29

30 **“SECTION 11.** ORS 182.454 is amended to read:

1 “182.454. The following semi-independent state agencies are subject to
2 ORS 182.456 to 182.472:

3 “(1) The Appraiser Certification and Licensure Board.

4 “(2) The State Board of Architect Examiners.

5 “(3) The State Board of Examiners for Engineering and Land Surveying.

6 “(4) The State Board of Geologist Examiners.

7 “(5) The State Landscape Architect Board.

8 “(6) The Oregon Board of Optometry.

9 “(7) The Oregon Patient Safety Commission.

10 “(8) The Oregon Wine Board.

11 “(9) The State Board of Massage Therapists.

12 “(10) The Physical Therapist Licensing Board.

13 “(11) The State Landscape Contractors Board.

14 “**(12) The Citizens’ Initiative Review Commission.**

15 “**SECTION 12.** ORS 250.137 is amended to read:

16 “250.137. (1) The Citizens’ Initiative Review Commission is established
17 [*within the executive branch of state government,*] **as a semi-independent**
18 **state agency subject to ORS 182.456 to 182.472. The commission shall**
19 **consist** [*consisting*] of 11 members. The members shall be appointed in the
20 following manner:

21 “(a) The Governor shall appoint three members who have at some time
22 been selected by the four appointed members of an explanatory statement
23 committee under ORS 251.205 (5) to prepare an explanatory statement, as
24 follows:

25 “(A) One member recommended by the leadership of the Democratic party
26 in the Senate and one member recommended by the leadership of the Re-
27 publican party in the Senate.

28 “(B) Except as provided in subparagraph (C) of this paragraph, one mem-
29 ber recommended by the leadership of the political party with the largest
30 representation in the Senate that is not the same party as the Governor.

1 “(C) If more than two political parties are represented in the Senate, one
2 member recommended by the leadership of a third political party with the
3 largest representation in the Senate.

4 “(b) Four former moderators shall be appointed as members as described
5 in ORS 250.143.

6 “(c) Four electors who have served on a citizen panel shall be appointed
7 as members as described in ORS 250.143.

8 “(2) The term of office of a member of the commission is four years, with
9 the terms of no more than six members expiring every two years. Vacancies
10 shall be filled by the Governor for the unexpired term, consistent with sub-
11 section (1) of this section.

12 “(3) The commission shall:

13 “(a) Ensure that the citizen panels are convened to review initiated
14 measures in a fair and impartial manner.

15 “(b) Adopt rules necessary to carry out the commission’s duties under
16 ORS 250.137 to 250.149.

17 **“SECTION 13. ORS 250.146 is repealed.**

18 **“SECTION 14. Any moneys remaining in the Citizens’ Initiative
19 Review Fund on the effective date of this 2013 Act shall be transferred
20 to the account established by the Citizens’ Initiative Review Commis-
21 sion as required by ORS 182.470.**

22 **“SECTION 15.** ORS 250.139 is amended to read:

23 “250.139. (1) The Citizens’ Initiative Review Commission shall select one
24 or more state measures proposed by initiative petition to be voted on at a
25 general election and convene a separate citizen panel to review each selected
26 measure.

27 “(2) In selecting a measure to be reviewed by a citizen panel, the com-
28 mission shall consider the following criteria:

29 “(a) The fiscal impact of a measure.

30 “(b) Whether the measure amends the Oregon Constitution.

1 “(c) The availability of funds to conduct reviews.

2 “(d) Any other criteria established by the commission by rule.

3 “(3) Each citizen panel shall evaluate and write statements for the meas-
4 ure considered by the panel.

5 “(4)(a) The commission shall select citizens for each panel from a repre-
6 sentative sample of anonymous electors, using survey sampling methods that,
7 to the extent practicable, give every elector a similar chance of being se-
8 lected. Each citizen panel shall consist of not fewer than 18 and not more
9 than 24 electors.

10 “(b) The commission shall ensure, to the extent practicable and legally
11 permissible, that the demographic makeup of each panel fairly reflects the
12 population of the electorate of this state as a whole, with respect to the
13 following characteristics, prioritized in the following order:

14 “(A) The location of the elector’s residence.

15 “(B) The elector’s party affiliation, if any.

16 “(C) The elector’s voting history.

17 “(D) The elector’s age.

18 “(c) In addition to the criteria described in paragraph (b) of this sub-
19 section, the commission may also consider:

20 “(A) The elector’s gender.

21 “(B) The elector’s ethnicity.

22 “(C) Any other criteria.

23 “(5) The commission shall, from moneys in the [*Citizens’ Initiative Review*
24 *Fund*] **account established under ORS 182.470:**

25 “(a) Compensate each elector for each day served on a panel in an amount
26 calculated using the average weekly wage as defined in ORS 656.211;

27 “(b) Reimburse each elector who serves on a panel for travel expenses in
28 accordance with reimbursement policies determined by the commission by
29 rule;

30 “(c) Provide for costs required to convene and conduct a citizen panel;

1 and

2 “(d) Transfer to the Secretary of State all moneys necessary to pay the
3 costs of printing any statements described in ORS 250.141 in the voters’
4 pamphlet.

5 “(6)(a) Each panel shall meet to review the measure on five consecutive
6 days for a total of not less than 25 hours unless otherwise provided by
7 commission rule.

8 “(b) Each panel shall conduct public hearings at which the panel shall
9 receive testimony or other information from both proponents and opponents
10 of the measure. Unless otherwise determined by a majority of the panelists,
11 equal time shall be allotted to proponents and opponents of a measure.

12 “(c) The chief petitioners of the measure shall designate two persons to
13 provide information in favor of the measure to the citizen panel. If the chief
14 petitioners fail to timely designate two persons to appear before the panel,
15 the commission may designate two persons who support the measure to pro-
16 vide information in favor of the measure.

17 “(d) The commission shall designate two persons who oppose the measure
18 to provide information in opposition to the measure.

19 “(e) The commission, by rule, may specify additional criteria regarding
20 the public hearings.

21 “(7) The commission shall provide each panel with any complaints re-
22 garding the panel not later than the fourth day the panel convenes.

23 “(8) The commission shall, by rule, establish qualifications for moderators
24 for each citizen panel. A moderator must have experience in mediation and
25 shall complete a training course established by the commission.

26 “(9) The commission shall contract with two moderators for each panel
27 and shall compensate each moderator for service.

28 “**SECTION 16.** ORS 250.147 is amended to read:

29 “250.147. (1) Except as otherwise provided in this section, the Citizens’
30 Initiative Review Commission may accept contributions of moneys and as-

1 sistance from the United States Government or its agencies or from any
2 other source, public or private, and agree to conditions placed on the moneys
3 not inconsistent with the duties of the commission. All moneys received by
4 the commission under this subsection shall be deposited into the [*Citizens’*
5 *Initiative Review Fund established under ORS 250.146*] **account established**
6 **under ORS 182.470.**

7 “(2) The commission may not receive contributions of moneys or assist-
8 ance from:

9 “(a) A political committee, as defined in ORS 260.005;

10 “(b) For-profit corporate treasuries;

11 “(c) Union treasuries; or

12 “(d) Any other source the commission determines might be used to
13 transfer moneys from a political committee, for-profit corporate treasury or
14 union treasury to the commission.

15 “(3) If a person contributes to the commission an aggregate total of more
16 than \$100 in a calendar year, not later than 14 calendar days after the com-
17 mission receives the contribution, the commission shall make available to
18 the public on the Internet:

19 “(a) The name and address of the person or entity who made the contri-
20 bution; and

21 “(b) The amount of the contribution.

22 “(4) The commission may enter into contracts and hire any staff the
23 commission deems necessary.

24 “(5) The commission may appoint an executive director to serve at the
25 pleasure of the commission.

26 **“SECTION 17.** ORS 250.149 is amended to read:

27 “250.149. (1) Not later than the date that is four months before the date
28 of the general election in an even-numbered year, the Citizens’ Initiative
29 Review Commission shall determine whether moneys in sufficient amount are
30 available in the [*Citizens’ Initiative Review Fund*] **account established**

1 **under ORS 182.470** to carry out all the duties, functions and powers of the
2 commission, implement ORS 250.139 to 250.143 and pay for any statements
3 to be printed in the voters' pamphlet under ORS 251.185.

4 “(2)(a) If the commission determines that the [*fund*] **account** has suffi-
5 cient moneys under subsection (1) of this section, the commission shall carry
6 out all the duties, functions and powers of the commission, implement ORS
7 250.139 to 250.143 and may submit statements to be printed in the voters'
8 pamphlet under ORS 251.185.

9 “(b) If the commission determines that the [*fund*] **account** has insufficient
10 moneys under subsection (1) of this section, for the general election in that
11 even-numbered year, the commission may not carry out all the duties, func-
12 tions and powers of the commission, implement ORS 250.139 to 250.143 or
13 submit statements to be printed in the voters' pamphlet under ORS 251.185.

14 “**SECTION 18.** Section 11, chapter 365, Oregon Laws 2011, is amended to
15 read:

16 “**Sec. 11.** (1) Any expenses incurred in the initial appointment and or-
17 ganization of the Citizens' Initiative Review Commission under section 3 [*of*
18 *this 2011 Act*], **chapter 365, Oregon Laws 2011**, shall be paid by the Oregon
19 Department of Administrative Services from moneys appropriated to the de-
20 partment.

21 “(2) When the Citizens' Initiative Review Commission determines that
22 moneys in sufficient amount are available in the [*Citizens' Initiative Review*
23 *Fund*] **account established under ORS 182.470**, the commission shall re-
24 imburse the Oregon Department of Administrative Services, without interest,
25 in an amount equal to the amount paid by the department for expenses under
26 subsection (1) of this section.

27 “**SECTION 19.** ORS 182.454, as amended by section 11 of this 2013 Act,
28 is amended to read:

29 “182.454. The following semi-independent state agencies are subject to
30 ORS 182.456 to 182.472:

- 1 “(1) The Appraiser Certification and Licensure Board.
2 “(2) The State Board of Architect Examiners.
3 “(3) The State Board of Examiners for Engineering and Land Surveying.
4 “(4) The State Board of Geologist Examiners.
5 “(5) The State Landscape Architect Board.
6 “(6) The Oregon Board of Optometry.
7 “(7) The Oregon Patient Safety Commission.
8 “(8) The Oregon Wine Board.
9 “(9) The State Board of Massage Therapists.
10 “(10) The Physical Therapist Licensing Board.
11 “(11) The State Landscape Contractors Board.
12 “[*(12) The Citizens’ Initiative Review Commission.*]

13 **“SECTION 20.** ORS 251.185 is amended to read:

14 “251.185. (1) The Secretary of State shall have printed in the voters’
15 pamphlet for a general election or any special election a copy of the title
16 and text of each state measure to be submitted to the people at the election
17 for which the pamphlet was prepared. The pamphlet must include the proce-
18 dures for filing a complaint under ORS 260.345. Each measure shall be
19 printed in the pamphlet with:

20 “(a) The number and ballot title of the measure;

21 “(b) The financial estimates and any statement prepared for the measure
22 under ORS 250.125;

23 “(c) The explanatory statement prepared for the measure; **and**

24 “(d) Arguments relating to the measure and filed with the Secretary of
25 State.[: *and*]

26 “[*(e) Any statement submitted for the measure by a citizen panel under*
27 *ORS 250.141.*]

28 “(2) A county measure or measure of a metropolitan service district or-
29 ganized under ORS chapter 268, and ballot title, explanatory statement and
30 arguments relating to the measure, filed by the county or metropolitan ser-

1 vice district under ORS 251.285 shall be included in the voters' pamphlet
2 described in subsection (1) of this section if required under ORS 251.067.

3 **“SECTION 21. (1) ORS 250.137, 250.139, 250.141, 250.143, 250.147 and**
4 **250.149 and section 3, chapter 365, Oregon Laws 2011, are repealed.**

5 **“(2) Section 11, chapter 365, Oregon Laws 2011, as amended by sec-**
6 **tion 18 of this 2013 Act, is repealed.**

7 **“SECTION 22. The repeal of ORS 250.137, 250.139, 250.141, 250.143,**
8 **250.147 and 250.149 and sections 3 and 11, chapter 365, Oregon Laws**
9 **2011, by section 21 of this 2013 Act and the amendments to ORS 182.454**
10 **and 251.185 by sections 19 and 20 of this 2013 Act become operative July**
11 **1, 2015.**

12
13 **“HUMAN SERVICES**

14
15 **“SECTION 23. Section 1, chapter 604, Oregon Laws 2011, as amended by**
16 **section 82, chapter 107, Oregon Laws 2012, is amended to read:**

17 **“Sec. 1. For the biennium beginning July 1, [2011] 2013, the Department**
18 **of Human Services may, notwithstanding ORS 411.070, 412.006, 412.009 and**
19 **412.016:**

20 **“(1) Prescribe by rule an employability assessment and orientation process**
21 **that the department shall use to determine the level of participation by in-**
22 **dividuals applying for or receiving aid pursuant to the temporary assistance**
23 **for needy families program and required to participate in the job opportunity**
24 **and basic skills program described in ORS 412.006. This process must occur**
25 **prior to any assessment described in ORS 412.006 (3) that is conducted by the**
26 **department.**

27 **“(2) Require all families to participate in the employability assessment**
28 **and orientation process as a condition for the family's receipt of aid.**

29 **“[(3) Determine the selection and placement in the job opportunity and basic**
30 **skills program activities of existing and future applicants and recipients of aid**

1 *based on the results of the employability assessment or other criteria.]*

2 **“(3) Limit in the job opportunity and basic skills program, for ex-**
3 **isting and future applicants and recipients of aid, based on the results**
4 **of the employability assessment or other criteria:**

5 **“(a) The number of participants;**

6 **“(b) The activities; or**

7 **“(c) The level of participation.**

8 **“(4) Require an individual in a one-parent family to participate in the job**
9 **opportunity and basic skills program while caring for a dependent child who**
10 **is under two years of age.**

11 **“(5) Not approve enrollment in and attendance at an educational institu-**
12 **tion as an allowable work activity for purposes of ORS 412.001 to 412.069,**
13 **except for recipients who have a case plan in effect on June 30, 2011, that**
14 **approves enrollment in and attendance at an educational institution as an**
15 **allowable work activity under ORS 412.016.**

16 **“(6) Deny or terminate aid to a family in which a caretaker relative is**
17 **separated from employment without good cause, subject to exceptions pre-**
18 **scribed by the department by rule. The family shall be ineligible to receive**
19 **aid for a period of 120 days beginning on the date the caretaker relative is**
20 **separated from employment without good cause.**

21 **“(7) Establish an income eligibility limit equal to 185 percent of the fed-**
22 **eral poverty guidelines for aid to a dependent child residing with a caretaker**
23 **relative who is not the child’s parent.**

24 *“(8) Deny employment-related day care assistance to a parent who is self-*
25 *employed.]*

26 *“(9) Eliminate the reduced copayment required for employment-related day*
27 *care assistance in the first month of employment.]*

28 **“SECTION 24. Section 7, chapter 604, Oregon Laws 2011, is amended to**
29 **read:**

30 **“Sec. 7. (1) The amendments to ORS 412.009, 412.014 and 412.024 by**

1 sections 2, 3 and 5 [*of this 2011 Act*], **chapter 604, Oregon Laws 2011**, be-
2 come operative on October 1, 2011.

3 “(2) The amendments to ORS 412.014 by section 4 [*of this 2011 Act*],
4 **chapter 604, Oregon Laws 2011**, become operative on July 1, [2013] **2015**.

5 **“SECTION 25.** Section 8, chapter 604, Oregon Laws 2011, is amended to
6 read:

7 **“Sec. 8.** Section 1, **chapter 604, Oregon Laws 2011**, [*of this 2011 Act*] is
8 repealed on July 1, [2013] **2015**.

9 **“SECTION 26.** Notwithstanding ORS 412.124, for the biennium beginning
10 July 1, 2013, the Department of Human Services may not provide aid de-
11 scribed in ORS 412.124.

12

13 **“TRANSPARENCY OREGON ADVISORY COMMISSION**

14

15 **“SECTION 27.** ORS 184.486 is amended to read:

16 “184.486. (1) There is created the Transparency Oregon Advisory Com-
17 mission consisting of nine members appointed as follows:

18 “(a) The President of the Senate shall appoint two members from among
19 members of the Senate, one from the majority party and one from the mi-
20 nority party.

21 “(b) The Speaker of the House of Representatives shall appoint two
22 members from among members of the House of Representatives, one from the
23 majority party and one from the minority party.

24 “(c) The Governor shall appoint one member from an executive branch
25 agency.

26 “(d) The Director of the Oregon Department of Administrative Services
27 shall appoint one member.

28 “(e) The Legislative Fiscal Officer shall appoint one member.

29 “(f) The President of the Senate and the Speaker of the House of Repre-
30 sentatives shall each appoint one member of the public with experience or

1 interest in public finance, public relations, measurement of performance
2 outcomes or technology.

3 “(2) The commission shall advise and make recommendations to the
4 Oregon Department of Administrative Services regarding the creation, con-
5 tents and operation of, and enhancements to, the Oregon transparency
6 website.

7 “(3) A majority of the members of the commission constitutes a quorum
8 for the transaction of business.

9 “(4) Official action by the commission requires the approval of a majority
10 of the members of the commission.

11 “(5) The commission shall elect one of its members to serve as chair-
12 person. The chairperson shall be selected not later than October 1 of each
13 odd-numbered year.

14 “(6) If there is a vacancy for any cause, the appointing authority shall
15 make an appointment to become immediately effective.

16 “(7) The commission shall meet at times and places specified by the call
17 of the chairperson or of a majority of the members of the commission.

18 “(8) The commission may adopt rules necessary for the operation of the
19 commission.

20 “(9) The commission shall use the services of permanent staff of the Leg-
21 islative Fiscal Office to the greatest extent practicable to staff the commis-
22 sion. The Oregon Department of Administrative Services may provide
23 additional assistance.

24 “(10) Notwithstanding ORS 171.072, members of the commission who are
25 members of the Legislative Assembly are not entitled to mileage expenses
26 or a per diem and serve as volunteers on the commission.

27 “(11) Members of the commission who are not members of the Legislative
28 Assembly are not entitled to compensation or reimbursement for expenses
29 and serve as volunteers on the commission.

30 “(12) All agencies of state government, as defined in ORS 174.111, are di-

1 rected to assist the commission in the performance of its duties and, to the
2 extent permitted by laws relating to confidentiality, to furnish such infor-
3 mation and advice as the members of the commission consider necessary to
4 perform their duties.

5 “(13) The commission shall report to the Legislative Assembly not later
6 than [*January*] **February** 15 of each odd-numbered year. The report shall
7 describe:

8 “(a) Enhancements made to the Oregon transparency website during the
9 previous two calendar years;

10 “(b) Possible future enhancements to the website, including but not lim-
11 ited to the inclusion of information relating to:

12 “(A) Performance outcomes that measure the success of state agency
13 programs in achieving goals;

14 “(B) State agency bond debt;

15 “(C) State agency expenses for capital improvements;

16 “(D) Numbers and descriptions of jobs created through state agency con-
17 tracts and subcontracts;

18 “(E) Lists of businesses and individuals receiving tax credits, deductions,
19 refunds, rebates and other subsidies from a state agency;

20 “(F) Lists of the names of contractors who received a contract from a
21 state agency, including the number of contracts and compensation received;
22 and

23 “(G) Lists by contracting state agency of the number of contracts entered
24 into during a biennium and the amount of moneys spent on the contracts;
25 and

26 “(c) The feasibility of including an interactive application where citizens
27 can simulate balancing a biennial budget for the state.

28 “(14) The term of office of each member is four years, but a member serves
29 at the pleasure of the appointing authority. Before the expiration of the term
30 of a member, the appointing authority shall appoint a successor whose term

1 begins on January 1 next following. A member is eligible for reappointment.
2 If there is a vacancy for any cause, the appointing authority shall make an
3 appointment to become immediately effective for the unexpired term.

4

5

“OREGON SCHOOL FOR THE DEAF

6

7 **“SECTION 28. (1) The Oregon Department of Administrative Ser-**
8 **vices and the Department of Education shall study whether a lease or**
9 **sale of a portion of the real property owned by the Department of**
10 **Education known as the Oregon School for the Deaf would benefit the**
11 **school. The study must determine the fair market value of a lease or**
12 **sale of a portion of the real property and how the proceeds from a**
13 **lease or sale transaction would benefit the school.**

14 **“(2) If, based on the study under subsection (1) of this section, the**
15 **Superintendent of Public Instruction determines that the lease or sale**
16 **of a portion of the real property would benefit the school, the super-**
17 **intendent may order a change in the purpose and use of the real**
18 **property under ORS 346.010 and may lease or sell a portion of the real**
19 **property. The proceeds of the lease or sale must benefit the school.**

20 **“(3) If the superintendent orders a change in the purpose and use**
21 **of the real property that requires a sale of the real property described**
22 **in the order, the Oregon Department of Administrative Services, in**
23 **consultation with the Department of Education, shall develop a plan**
24 **for the sale of the real property. The Oregon Department of Admin-**
25 **istrative Services shall present the plan at a meeting of the Capitol**
26 **Planning Commission. The commission shall provide an opportunity**
27 **for public review of and comment on the plan at that meeting.**

28 **“(4) Notwithstanding ORS 270.100 to 270.190, the Oregon Department**
29 **of Administrative Services shall sell the real property described in the**
30 **order of the superintendent in a manner consistent with this section.**

1 **The Oregon Department of Administrative Services may engage the**
2 **services of a licensed real estate broker or principal real estate broker**
3 **to facilitate the sale of the real property.**

4 **“(5) The Oregon Department of Administrative Services shall de-**
5 **termine the sale price of the real property described in the order of the**
6 **superintendent. The sale price must equal or exceed the fair market**
7 **value of the real property.**

8 **“(6)(a) The Oregon Department of Administrative Services shall**
9 **retain from the sale of the real property the costs incurred by the**
10 **state in selling the real property, including the costs incurred by the**
11 **Department of Education and the Oregon Department of Administra-**
12 **tive Services in transferring the real property.**

13 **“(b) The Oregon Department of Administrative Services and the**
14 **Department of Education shall be reimbursed for any costs described**
15 **in paragraph (a) of this subsection from the amount retained as pro-**
16 **vided by paragraph (a) of this subsection.**

17 **“(c) After the reimbursement described in paragraph (b) of this**
18 **subsection, the Oregon Department of Administrative Services shall**
19 **transfer the remaining proceeds from the sale of the real property to**
20 **the Department of Education for the benefit of the Oregon School for**
21 **the Deaf.**

22 **“(7) Nothing in this section may be construed as authorizing the**
23 **sale of the entire property or the closure of the Oregon School for the**
24 **Deaf.**

25

26

“OREGON LIQUOR CONTROL COMMISSION

27

28 **“SECTION 29. For the biennium beginning July 1, 2013, notwith-**
29 **standing ORS 471.810, amounts to be distributed from the Oregon Li-**
30 **quor Control Commission Account that are attributable to a per bottle**

1 surcharge imposed by the Oregon Liquor Control Commission on June
2 6, 2013, shall be credited to the General Fund.

3
4 **“EMPLOYMENT DEPARTMENT**

5
6 **“SECTION 30. Notwithstanding ORS 657.783, the amount of \$10**
7 **million is transferred from the Supplemental Employment Department**
8 **Administration Fund to the General Fund for general governmental**
9 **purposes.**

10
11 **“HOUSING AND COMMUNITY SERVICES**

12
13 **“SECTION 31. Notwithstanding ORS 456.587 (1), the amount of \$4.8**
14 **million is transferred from the Housing and Community Services De-**
15 **partment Electricity Public Purpose Charge Fund to the Clean Energy**
16 **Deployment Fund established in ORS 470.800 for coordination of home**
17 **energy efficiency assessments, financing and contracting activities**
18 **pursuant to the Governor’s 10-year energy action plan.**

19
20 **“OREGON HEALTH AUTHORITY PROGRAM**

21
22 **“SECTION 32. If House Bill 3458 becomes law, section 2, chapter __,**
23 **Oregon Laws 2013 (Enrolled House Bill 3458), is amended to read:**

24 **“Sec. 2. (1) As used in this section, section 1, chapter __, Oregon Laws**
25 **2013 (Enrolled House Bill 3458), [of this 2013 Act] and ORS 735.610:**

26 **“(a) ‘Health benefit plan’ has the meaning given that term in ORS 743.730.**

27 **“(b) ‘Insurer’ means an insurer described in ORS 735.605 (4)(a), (b) and (d).**

28 **“(c) ‘Program’ means the Oregon Reinsurance Program established in**
29 **section 1, chapter __, Oregon Laws 2013 (Enrolled House Bill 3458), [of**
30 **this 2013 Act].**

1 “(d) ‘Reinsurance eligible health benefit plan’ means a health benefit plan
2 providing individual coverage that:

3 “(A) Is delivered or issued for delivery in this state;

4 “(B) Is not a grandfathered health plan as defined in ORS 743.730; and

5 “(C) Meets the criteria prescribed by the Oregon Medical Insurance Pool
6 Board under subsection (2) of this section.

7 “(e) ‘Reinsurance eligible individual’ means an individual who is insured
8 on or before April 1, 2014, under a reinsurance eligible health benefit plan
9 and who[*on December 31, 2013,*] was:

10 “(A) **On December 31, 2013**, enrolled in the Oregon Medical Insurance
11 Pool created in ORS 735.610;

12 “(B) [*or*] **On June 30, 2013, enrolled in** the Temporary High Risk Pool
13 Program established in section 1, chapter 47, Oregon Laws 2010;

14 “[*B*] (C) **On December 31, 2013**, insured under a portability health
15 benefit plan as defined in ORS 743.760; or

16 “[*C*] (D) **On December 31, 2013**, reinsured under the reinsurance pro-
17 gram for children’s coverage described in ORS 735.614 (1)(b).

18 “(2) The board shall prescribe by rule the criteria for a health benefit
19 plan to qualify for reinsurance payments under the program. The criteria
20 must be consistent with requirements for:

21 “(a) Premium rates under 42 U.S.C. 300gg;

22 “(b) Guaranteed availability under 42 U.S.C. 300gg-1;

23 “(c) Guaranteed renewability under 42 U.S.C. 300gg-2;

24 “(d) Coverage of essential health benefits under 42 U.S.C. 18022; and

25 “(e) Using a single risk pool under 42 U.S.C. 18032(c).

26 “(3) An issuer of a reinsurance eligible health benefit plan becomes eli-
27 gible for a reinsurance payment when the claims costs for a reinsurance eli-
28 gible individual’s covered benefits in a calendar year exceed the attachment
29 point. The amount of the payment shall be the product of the coinsurance
30 rate and the issuer’s claims costs for the reinsurance eligible individual’s

1 claims costs that exceed the attachment point, up to the reinsurance cap, as
2 follows:

3 “(a) For 2014:

4 “(A) The attachment point is \$30,000.

5 “(B) The reinsurance cap is \$300,000.

6 “(C) Except as provided in paragraph (b) of this subsection, the
7 coinsurance rate is:

8 “(i) Ten percent for claims costs above \$60,000 and up to and including
9 \$250,000; and

10 “(ii) Ninety percent for claims costs from \$30,000 and up to and including
11 \$60,000 and above \$250,000.

12 “(b) The board may lower the coinsurance rate if the reinsurance claims
13 incurred exceed the total amount of the assessments collected under sub-
14 section (4) of this section.

15 “(c) The board shall adopt by rule an attachment point, reinsurance cap
16 and coinsurance rate for calendar years 2015 and 2016 that complement the
17 federal reinsurance program requirements, so that the reinsurance claims do
18 not exceed the total amount of the assessments collected under subsection
19 (4) of this section. After the rules required under this paragraph are adopted
20 for a calendar year, the board may not:

21 “(A) Change the attachment point or the reinsurance cap adopted for that
22 calendar year; or

23 “(B) Increase the coinsurance rate adopted for that calendar year.

24 “(4) The board shall impose an assessment on all insurers at a rate that
25 is expected to produce an amount of funds sufficient to pay administrative
26 expenses and to make reinsurance payments that are due to issuers of rein-
27 surance eligible health benefit plans in a calendar year, but not greater than
28 the rate that would be expected to produce funds totaling the lesser of:

29 “(a) An amount per month multiplied by the number of insureds and cer-
30 tificate holders in this state who are insured or reinsured; or

1 “(b) The total assessment set forth in subsection (5) of this section.

2 “(5) The amount per month and total assessment on all insurers are as
3 follows:

4 “(a) For calendar year 2014, the amount per month is \$4 and the total
5 assessment is \$72 million.

6 “(b) For calendar year 2015, the amount per month is \$3.50 and the total
7 assessment is \$63 million.

8 “(c) For calendar year 2016, the amount per month is \$2.20 and the total
9 assessment is \$40 million.

10 “(6) In determining the number of insureds and certificate holders in this
11 state who are insured or reinsured, the board shall exclude individuals with
12 the following types of coverage:

13 “(a) The medical assistance program under ORS chapter 414;

14 “(b) Medicare;

15 “(c) Disability income insurance;

16 “(d) Hospital-only insurance;

17 “(e) Dental-only insurance;

18 “(f) Vision-only insurance;

19 “(g) Accident-only insurance;

20 “(h) Automobile insurance;

21 “(i) Specific disease insurance;

22 “(j) Medical supplemental plans;

23 “(k) TRICARE;

24 “(L) Prescription drug only plans;

25 “(m) Long term care insurance; and

26 “(n) Federal Employees Health Benefits Program.

27 “(7) If the board collects assessments that exceed the amount necessary
28 to pay administrative expenses and to make all of the reinsurance payments
29 that are due to issuers of reinsurance eligible health benefit plans in calen-
30 dar years 2014, 2015 and 2016, the board shall refund the excess, on a pro rata

1 basis, to insurers who are subject to the assessment imposed by subsection
2 (4) of this section.

3 “(8) The board may not impose an assessment under subsection (4) of this
4 section for calendar years beginning with 2017.

5 “(9) All moneys received or collected by the board under this section shall
6 be paid into the Oregon Medical Insurance Pool Account established in ORS
7 735.612.

8 “(10) The board, in consultation with the Department of Consumer and
9 Business Services, may adopt rules necessary to carry out the provisions of
10 this section including, but not limited to, rules prescribing:

11 “(a) The eligibility requirements for participation in the program by an
12 issuer of a reinsurance eligible health benefit plan;

13 “(b) The form and manner of issuing notices of assessment amounts;

14 “(c) The amount, manner and frequency of the payment and collection of
15 assessments;

16 “(d) The amount, manner and frequency of reinsurance payments; and

17 “(e) Reporting requirements for insurers subject to the assessment and for
18 issuers of reinsurance eligible health benefit plans.

19 “**SECTION 32a.** ORS 443.733 is amended to read:

20 “443.733. (1) As used in this section, ‘adult foster care home provider’
21 means a person who operates an adult foster home in the provider’s home
22 and who receives fees or payments from [*the*] state **funds** for providing adult
23 foster care home services. ‘Adult foster care home provider’ does not include
24 a person:

25 “(a) Who is a resident manager of an adult foster home who does not
26 provide adult foster care home services in the resident manager’s own home
27 or who does not have a controlling interest in, or is not an officer or partner
28 in, the entity that is the provider of adult foster care home services;

29 “(b) Who is not a natural person; or

30 “(c) Whose participation in collective bargaining is determined by the li-

1 censing agency to be inconsistent with this section or in violation of state
2 or federal law.

3 “(2) For purposes of collective bargaining under ORS 243.650 to 243.782,
4 the State of Oregon is the public employer of record of adult foster care
5 home providers.

6 “(3) Notwithstanding ORS 243.650 (19), adult foster care home providers
7 are considered to be public employees governed by ORS 243.650 to 243.782.
8 Adult foster care home providers have the right to form, join and participate
9 in the activities of labor organizations of their own choosing for the pur-
10 poses of representation and collective bargaining on matters concerning la-
11 bor relations. Mandatory subjects of collective bargaining include but are
12 not limited to provider base rates and add-on payments. These rights shall
13 be exercised in accordance with the rights granted to public employees, with
14 mediation and interest arbitration under ORS 243.742 as the method of con-
15 cluding the collective bargaining process. Adult foster care home providers
16 may not strike.

17 “(4) Notwithstanding subsections (2) and (3) of this section, adult foster
18 care home providers are not for any other purpose employees of the State
19 of Oregon or any other public body.

20 “(5) The Oregon Department of Administrative Services shall represent
21 the State of Oregon in collective bargaining negotiations with the certified
22 or recognized exclusive representative of an appropriate bargaining unit of
23 adult foster care home providers. The Oregon Department of Administrative
24 Services is authorized to agree to terms and conditions of collective bar-
25 gaining agreements on behalf of the State of Oregon.

26 “(6) Notwithstanding ORS 243.650 (1), an appropriate bargaining unit for
27 adult foster care home providers is any bargaining unit recognized by the
28 Governor in an executive order issued prior to January 1, 2008.

29 “(7) This section does not modify any right of an adult receiving foster
30 care.

1 **“PUBLIC BODY INSURANCE**

2
3 **“SECTION 33. Notwithstanding ORS 30.282, 30.285, 278.425, 655.515**
4 **and 655.540, the amount of \$10,000,000 is transferred from the Insurance**
5 **Fund to the General Fund for general governmental purposes. The**
6 **transfer shall be made not later than June 30, 2014.**

7
8 **“DEPARTMENT OF JUSTICE**

9
10 **“SECTION 34. Notwithstanding ORS 180.095, 180.096, 646.775 and**
11 **646A.284, the amount of \$5,000,000 is transferred from the Department**
12 **of Justice Protection and Education Revolving Account to the General**
13 **Fund for general governmental purposes.**

14
15 **“OREGON LOCAL DISASTER ASSISTANCE**
16 **LOAN AND GRANT ACCOUNT**

17
18 **“SECTION 35. ORS 401.536, as amended by section 98, chapter 107,**
19 **Oregon Laws 2012, is amended to read:**

20 **“401.536. (1) The Oregon Local Disaster Assistance Loan and Grant Ac-**
21 **count is established as an account in the Oregon Disaster Response Fund.**
22 **The account consists of moneys appropriated by the Legislative Assembly**
23 **and any other moneys deposited into the account pursuant to law.**

24 **“(2) Moneys in the account are continuously appropriated to the Oregon**
25 **Military Department for:**

26 **“(a) Providing loans to local governments, as defined in ORS 174.116, and**
27 **school districts to match, either in full or in part, moneys from federal pro-**
28 **grams for federally declared disaster relief that require a match;**

29 **“(b) Providing loans and grants to local governments, as defined in ORS**
30 **174.116, and school districts, for the purpose of paying costs incurred by local**

1 governments and school districts in response to federally declared disasters;
2 [*and*]

3 “(c) **Providing loans and grants to local governments, as defined in**
4 **ORS 174.116, and school districts for the purposes of paying costs in-**
5 **curred by local governments and school districts in response to disas-**
6 **ters that are not federally declared disasters, as determined by the**
7 **Legislative Assembly, if all loans and grants provided under para-**
8 **graphs (a) and (b) of this subsection have been repaid, fulfilled or**
9 **otherwise satisfied and moneys remain in the account; and**

10 “[*c*] (d) Subject to subsection (5) of this section, paying the department’s
11 expenses for administering loans made from the account under paragraph (a)
12 of this subsection.

13 “(3) Loans made under subsection (2)(b) **or (c)** of this section shall be
14 repaid pursuant to such terms and conditions as may be established by the
15 Oregon Department of Administrative Services. Loans made under subsection
16 (2)(b) **or (c)** of this section may be interest free, or bear interest at a rate
17 established by the Oregon Department of Administrative Services. Amounts
18 repaid on loans made under subsection (2)(b) **or (c)** of this section shall be
19 deposited in the General Fund.

20 “(4) The Oregon Military Department shall deposit into the account any
21 amounts repaid on loans made under subsection (2)(a) of this section.

22 “(5) The Oregon Military Department may not charge the account more
23 than five percent of the maximum amount in the account during a biennium
24 for administrative expenses attributable to a loan made under subsection
25 (2)(a) of this section.

26 “(6) An applicant may apply to the Oregon Military Department for a
27 loan under subsection (2)(a) of this section. The department shall consider
28 the application, make a recommendation and submit the application and
29 recommendation to the Local Disaster Assistance Review Board established
30 under subsection (7) of this section.

1 “(7) The Oregon Military Department shall establish a Local Disaster
2 Assistance Review Board to:

3 “(a) Review the recommendations of the department regarding loans under
4 subsection (2)(a) of this section;

5 “(b) Approve, by a majority vote of members, the amount of any loan
6 under subsection (2)(a) of this section; and

7 “(c) Approve, by a majority vote of members, the terms and conditions of
8 any loan under subsection (2)(a) of this section.

9 “(8) The review board shall include:

10 “(a) Three members of county governing bodies, with at least one member
11 representing a county from east of the crest of the Cascade Mountains, with
12 membership determined by the Association of Oregon Counties;

13 “(b) Three members of city governing bodies, with at least one member
14 representing a city from east of the crest of the Cascade Mountains, with
15 membership determined by the League of Oregon Cities;

16 “(c) A representative of the office of the State Treasurer;

17 “(d) A representative of the Oregon Military Department;

18 “(e) A representative of school districts, with membership determined by
19 the Oregon School Boards Association;

20 “(f) A representative of special districts, with membership determined by
21 the Special Districts Association of Oregon;

22 “(g) A representative of the Oregon Department of Administrative Ser-
23 vices; and

24 “(h) Two additional members determined jointly by the department, the
25 Association of Oregon Counties and the League of Oregon Cities.

26 “(9) The Office of Emergency Management of the Oregon Military De-
27 partment shall adopt rules establishing:

28 “(a) A loan application process and application forms for loans under
29 subsection (2)(a) of this section;

30 “(b) Reasonable financial terms and conditions for loans under subsection

1 (2)(a) of this section, including interest and the repayment of the loans;
2 “(c) Eligibility requirements for applicants for loans under subsection
3 (2)(a) of this section;
4 “(d) The maximum amount an applicant for a loan under subsection (2)(a)
5 of this section may receive;
6 “(e) The methodology the department will use for charging the account
7 for administrative expenses; and
8 “(f) Procedures for submission of recommendations to the review board for
9 loans under subsection (2)(a) of this section.
10 “(10) The Oregon Military Department shall provide staff support for the
11 review board.

12
13 **“QUALITY CARE FUND**

14
15 **“SECTION 36. Notwithstanding ORS 443.001, for the biennium be-**
16 **ginning July 1, 2013, the Department of Human Services may spend**
17 **moneys in the Quality Care Fund for program operating expenses of**
18 **the department related to:**

19 **“(1) Long term care facilities as defined in ORS 442.015;**

20 **“(2) Residential facilities as defined in ORS 443.400, including but**
21 **not limited to assisted living facilities; and**

22 **“(3) Adult foster homes as defined in ORS 443.705.**

23
24 **“SCHOOL CAPITAL MATCHING FUND**

25
26 **“SECTION 37. ORS 461.558 is repealed.**

27 **“SECTION 38. ORS 286A.806 is amended to read:**

28 **“286A.806. Pursuant to section 4, Article XI-P of the Oregon Constitution,**
29 **the School Capital Matching Fund is established in the State Treasury, sep-**
30 **arate and distinct from the General Fund. Amounts in the School Capital**

1 Matching Fund may be invested as provided in ORS 286A.025 (2)(g), and in-
2 terest earned on moneys in the fund must be credited to the fund. The School
3 Capital Matching Fund consists of net proceeds of Article XI-P bonds issued
4 under ORS 286A.796 to 286A.806, moneys from the repayment of loans by
5 school districts[, *moneys transferred to the fund pursuant to ORS 461.558*] and
6 other moneys made available by the Legislative Assembly for purposes de-
7 scribed in ORS 286A.798 (1) and the budget authorization for bond issuance
8 established under ORS 286A.035 for the Department of Education. Moneys
9 in the fund are continuously appropriated to the Department of Education
10 for the purposes described in ORS 286A.798 (1) and the budget authorization.

11 **“SECTION 39. The repeal of ORS 461.558 by section 37 of this 2013**
12 **Act and the amendment to ORS 286A.806 by section 38 of this 2013 Act**
13 **apply to biennia ending on or after June 30, 2013.**

14

15

“SECRETARY OF STATE

16

17 **“SECTION 40. Notwithstanding ORS 56.041 and in addition to the**
18 **transfers required by ORS 56.041 (4), the amount of \$4,000,000 is trans-**
19 **ferred from the Operating Account to the General Fund for general**
20 **governmental purposes. The transfer shall be made on June 15, 2015.**

21

22

“JUDICIAL SALARIES

23

24 **“SECTION 41. ORS 292.406 is amended to read:**

25 **“292.406. (1) The annual salary of the Chief Judge of the Court of Appeals**
26 **shall be [*\$125,688*] **\$130,688** for the year beginning [*July 1, 2009*] **January 1,****
27 **2014, and for each year thereafter.**

28 **“(2) The annual salary of each other judge of the Court of Appeals shall**
29 **be [*\$122,820*] **\$127,820** for the year beginning [*July 1, 2009*] **January 1, 2014,****
30 **and for each year thereafter.**

1 “**SECTION 41a.** ORS 292.406, as amended by section 41 of this 2013 Act,
2 is amended to read:

3 “292.406. (1) The annual salary of the Chief Judge of the Court of Appeals
4 shall be [~~\$130,688~~] **\$135,688** for the year beginning [~~January 1, 2014,~~] **January**
5 **1, 2015** and for each year thereafter.

6 “(2) The annual salary of each other judge of the Court of Appeals shall
7 be [~~\$127,820~~] **\$132,820** for the year beginning [~~January 1, 2014~~] **January 1,**
8 **2015** , and for each year thereafter.

9 “**SECTION 42.** ORS 292.411 is amended to read:

10 “292.411. (1) The annual salary of the Chief Justice of the Supreme Court
11 shall be [~~\$128,556~~] **\$133,556** for the year beginning [~~July 1, 2009~~] **January 1,**
12 **2014**, and for each year thereafter.

13 “(2) The annual salary of each other judge of the Supreme Court shall
14 be [~~\$125,688~~] **\$130,688** for the year beginning [~~July 1, 2009~~] **January 1, 2014,**
15 and for each year thereafter.

16 “**SECTION 42a.** ORS 292.411, as amended by section 42 of this 2013 Act,
17 is amended to read:

18 “292.411. (1) The annual salary of the Chief Justice of the Supreme Court
19 shall be [~~\$133,556~~] **\$138,556** for the year beginning [~~January 1, 2014~~] **January**
20 **1, 2015** , and for each year thereafter.

21 “(2) The annual salary of each other judge of the Supreme Court shall
22 be [~~\$130,688~~] **\$135,688** for the year beginning [~~January 1, 2014~~] **January 1,**
23 **2015** , and for each year thereafter.

24 “**SECTION 43.** ORS 292.416 is amended to read:

25 “292.416. The annual salary of each judge of a circuit court shall be
26 [~~\$114,468~~] **\$119,468** for the year beginning [~~July 1, 2009~~] **January 1, 2014,** and
27 for each year thereafter.

28 “**SECTION 43a.** ORS 292.416, as amended by section 43 of this 2013 Act,
29 is amended to read:

30 “292.416. The annual salary of each judge of a circuit court shall be

1 [~~\$119,468~~] **\$124,468** for the year beginning [*January 1, 2014*] **January 1,**
2 **2015**, and for each year thereafter.

3 **“SECTION 44.** ORS 292.426 is amended to read:

4 “292.426. The annual salary of the judge of the Oregon Tax Court shall
5 be [~~\$118,164~~] **\$123,164** for the year beginning [*July 1, 2009*] **January 1, 2014,**
6 and for each year thereafter.

7 **“SECTION 44a.** ORS 292.426, as amended by section 44 of this 2013 Act,
8 is amended to read:

9 “292.426. The annual salary of the judge of the Oregon Tax Court shall
10 be [~~\$123,164~~] **\$128,164** for the year beginning [*January 1, 2014*] **January 1,**
11 **2015**, and for each year thereafter.

12

13 **“STATEWIDE ELECTED OFFICIAL SALARIES**

14

15 **“SECTION 45.** ORS 292.311 is amended to read:

16 “292.311. The incumbents of each of the following offices shall be paid an
17 annual salary on a monthly basis, as follows:

18 “(1) Governor, [~~\$93,600~~] **\$98,600** for the year beginning [*July 1, 2009*]
19 **January 1, 2014**, and for each year thereafter. The Governor shall also be
20 paid \$1,000 per month regularly for expenses necessarily incurred but not
21 otherwise provided for.

22 “(2) Secretary of State, [~~\$72,000~~] **\$77,000** for the year beginning [*July 1,*
23 *2009*] **January 1, 2014**, and for each year thereafter. The Secretary of State
24 shall also be paid \$250 per month regularly for expenses necessarily incurred
25 but not otherwise provided for.

26 “(3) State Treasurer, [~~\$72,000~~] **\$77,000** for the year beginning [*July 1,*
27 *2009*] **January 1, 2014**, and for each year thereafter. The State Treasurer
28 shall also be paid \$250 per month regularly for expenses necessarily incurred
29 but not otherwise provided for.

30 “(4) Attorney General, [~~\$77,200~~] **\$82,200** for the year beginning [*July 1,*

1 2009] **January 1, 2014**, and for each year thereafter. The Attorney General
2 shall also be paid \$250 per month regularly for expenses necessarily incurred
3 but not otherwise provided for.

4 “(5) Commissioner of the Bureau of Labor and Industries, [~~\$72,000~~] **\$77,000**
5 for the year beginning [~~July 1, 2009~~] **January 1, 2014**, and for each year
6 thereafter. The commissioner shall also be paid \$250 per month regularly for
7 expenses necessarily incurred but not otherwise provided for.

8 **“SECTION 45a. (1) The amendments to ORS 292.311, 292.406, 292.411,**
9 **292.416 and 292.426 by sections 41, 42, 43, 44 and 45 of this 2013 Act be-**
10 **come operative January 1, 2014.**

11 **“(2) The amendments to ORS 292.406, 292.411, 292.416 and 292.426 by**
12 **sections 41a, 42a, 43a and 44a of this 2013 Act become operative Janu-**
13 **ary 1, 2015.**

14

15 **“GOVERNMENTAL SERVICE EXPENSES**

16

17 **“SECTION 46.** ORS 291.272 is amended to read:

18 “291.272. As used in ORS 291.272 to 291.278, unless the context requires
19 otherwise:

20 “(1) ‘Administrative expenses’ has the meaning defined by ORS 291.305.

21 “(2) ‘Department’ means the Oregon Department of Administrative Ser-
22 vices.

23 “(3) ‘Governmental service expenses’ means the expenses of state govern-
24 ment that are attributable to the operation, maintenance, administration and
25 support of state government generally, and includes the following:

26 “(a) Administrative expenses of the Oregon Department of Administrative
27 Services supported out of the General Fund.

28 “(b) Sixty percent of the expenditures of the Legislative Assembly out of
29 moneys appropriated from the General Fund, and all of the expenditures in-
30 curred in the administration of the duties of the Emergency Board.

1 “(c) Sixty percent of the expenditures incurred **by the Legislative Fiscal**
2 **Office** in the administration of the duties of the Joint Committee on Ways
3 and Means and the Emergency Board.

4 “(d) Sixty percent of the expenditures incurred out of moneys appropri-
5 ated from the General Fund in the administration of the duties of the Leg-
6 islative Counsel Committee.

7 “[*(e) Expenditures of the Secretary of State in the administration of the*
8 *office of the State Archivist, of historic properties programs, and of the ad-*
9 *ministrative rules publication program.*]

10 “[*(f)*] **(e)** Seventy-five percent of the administrative expenses of the Office
11 of the Governor incurred out of moneys appropriated from the General Fund.

12 “(4) ‘State agency’ means every state officer, board, commission, depart-
13 ment, institution, branch or agency of the state government, whose costs are
14 paid wholly or in part from funds held in the State Treasury, and includes
15 the Legislative Assembly, the courts and their officers and committees.

16 “**SECTION 47.** ORS 291.278 is amended to read:

17 “291.278. (1) Upon completion of the determination by the Oregon De-
18 partment of Administrative Services under ORS 291.274 and 291.276, the de-
19 partment shall:

20 “**(a) Transfer to the Legislative Fiscal Office Operating Fund, with**
21 **appropriate notice to the State Treasurer, out of moneys appropriated**
22 **to each state agency, the amount of \$3 million; and**

23 “**(b) After deducting the amounts specified in paragraph (a) of this**
24 **subsection,** transfer to the General Fund, with appropriate notice to the
25 State Treasurer, out of moneys appropriated to each state agency, the
26 amount of governmental service expenses [*so*] certified for the agency.

27 “(2) In the case of a state agency that collects or receives moneys for fees,
28 fines, licenses or taxes not by law made a part of the General Fund available
29 for general governmental purposes, if moneys available to such state agency
30 are not sufficient to permit the [*transfer*] **transfers** under subsection (1) of

1 this section, the department shall notify the state agency of the amount
2 certified with respect to the state agency under ORS 291.274 and 291.276, less
3 any amount transferred out of moneys appropriated to such state agency
4 under subsection (1) of this section. Thereafter, until such balance has been
5 paid into the General Fund, 10 percent of all moneys collected or received
6 by the state agency for fees, fines, licenses or taxes not by law made a part
7 of the General Fund available for general governmental purposes shall be:

8 “(a) Transferred by the department to and made a part of the General
9 Fund available for general governmental purposes if such moneys are paid
10 to the State Treasurer by the state agency; or

11 “(b) Paid to the State Treasurer by the state agency receiving such mon-
12 eys at the time when they are received by the state agency if such moneys
13 are authorized by law to be kept and disbursed other than by and through
14 the State Treasurer, and be credited by the State Treasurer to and made a
15 part of the General Fund available for general governmental purposes.

16 “(3) The [*transfer and payment to the*] **transfers and payments to the**
17 **Legislative Fiscal Office Operating Fund and the General Fund** required
18 by this section shall be made notwithstanding any law that appropriates such
19 moneys or any of them to any other purposes, and such portion so paid and
20 transferred is not subject to any special uses thereby provided.

21 **“SECTION 48. The amendments to ORS 291.272 and 291.278 by**
22 **sections 46 and 47 of this 2013 Act apply to allocations made under ORS**
23 **291.272 to 291.278 for biennia beginning on or after July 1, 2013.**

24

25 **“SHARED SERVICES FUND**

26

27 **“SECTION 49. ORS 285C.635 and 285C.639 are added to and made a**
28 **part of ORS 285C.600 to 285C.626.**

29 **“SECTION 50. ORS 285C.635 is amended to read:**

30 **“285C.635. (1) Upon receipt of information compiled under ORS 285C.615,**

1 the Oregon Department of Administrative Services shall determine the an-
2 nual amount of personal income tax revenue attributable to each eligible
3 project for which an eligible business firm received a property tax exemption
4 under ORS 307.123.

5 “(2) In determining the amount of personal income tax revenue attribut-
6 able to each eligible project, the **Oregon Department of Administrative**
7 **Services** may rely on reasonable techniques of estimation, if appropriate.

8 “(3) **Not later than May 15 of each fiscal year, the Oregon Depart-**
9 **ment of Administrative Services shall certify the amounts determined**
10 **under subsection (1) of this section to the Department of Revenue, the**
11 **Legislative Revenue Officer and the Legislative Fiscal Officer.**

12 “[3] (4) *[In each fiscal year,]* **Not sooner than July 10 and not later**
13 **than July 15 of the following fiscal year, after receiving the certifi-**
14 **cation under subsection (3) of this section, the Department of Revenue**
15 **shall transfer an amount equal to 50 percent of the cumulative amount for**
16 **all eligible projects determined under subsection (1) of this section to the**
17 **Shared Services Fund established in ORS 285C.639.**

18 “(5) **The Department of Revenue shall retain unreceipted revenue**
19 **from the tax imposed under ORS chapter 316 in an amount necessary**
20 **to make the transfer required under subsection (4) of this section. The**
21 **department shall make the transfer out of the unreceipted revenue in**
22 **lieu of paying the revenue over to the State Treasurer for deposit in**
23 **the General Fund.**

24 “[4] (6) The **Oregon Department of Administrative Services** shall
25 adopt rules necessary to administer this section.

26 “**SECTION 51.** ORS 285C.639 is amended to read:

27 “285C.639. (1) The Shared Services Fund is established in the State
28 Treasury, separate and distinct from the General Fund. Interest earned by
29 the Shared Services Fund shall be credited to the [*Shared Services*] fund.

30 **The fund shall consist of:**

1 “(a) Moneys transferred by the Department of Revenue to the fund
2 under ORS 285C.635 (4); and

3 “(b) Interest earnings on moneys in the fund.

4 “(2) All moneys in the Shared Services Fund are continuously appropri-
5 ated to the Oregon Department of Administrative Services[,] for the purpose
6 of making distributions described in subsection (3) of this section.

7 “(3) **Not sooner than August 15 and not later than September 1 of**
8 **the following fiscal year**, the department shall [*annually*] distribute to
9 **counties for distribution to** taxing districts the moneys from the Shared
10 Services Fund:

11 “(a) In proportion to the amount of money transferred into the fund for
12 each eligible project that received a property tax exemption under ORS
13 307.123; and

14 “(b) Consistent with the distribution of the community services fee under
15 ORS 285C.609 for that project.

16 “(4) The department shall furnish the Oregon Business Development
17 Commission with information on the recipients of the distributions and the
18 amounts distributed under this section, as requested by the commission.

19 “**SECTION 52.** ORS 285C.615 is amended to read:

20 “285C.615. (1) On or before April 1 following each tax year that property
21 is exempt under ORS 307.123, the business firm that owns or leases the ex-
22 empt property shall submit a report to the Oregon Business Development
23 Department, in addition to any other reporting or filing requirement.

24 “(2) The report shall be in a form prescribed by the **Oregon Business**
25 **Development** Department and shall include:

26 “(a) The assessed value and location of taxable and exempt property con-
27 stituting the eligible project and the corresponding payment and savings of
28 property taxes for the tax year, as ascertained from the county assessor;

29 “(b) The amount and disposition of fees and other amounts paid by the
30 business firm pursuant to the agreement with the county under ORS 285C.609

1 in the immediately preceding calendar year;

2 “(c) The average number of persons hired or employed by the business
3 firm in association with the eligible project, determined by dividing the total
4 number of hours for which such hired or employed persons were paid during
5 the immediate prior calendar year by 2,080;

6 “(d) The annual amount of taxable income and total compensation paid
7 to employees as described in paragraph (c) of this subsection;

8 “(e) Numbers and amounts as described in paragraphs (c) and (d) of this
9 subsection for jobs retained in direct relation to the eligible project; and

10 “(f) Any other information required by the department.

11 “(3) If a business firm fails to provide a report required under this section
12 or to verify information as requested by the **Oregon Business Development**
13 **Department**, the Oregon Business Development Commission, upon recom-
14 mendation by the department, may suspend the determination of the com-
15 mission that the project receive the tax exemption provided for in ORS
16 307.123. If the commission suspends the determination of eligibility under
17 this subsection, the exemption is revoked as provided in ORS 307.123 (6),
18 until the department receives the report. Upon receipt of a report required
19 under this section or the information requested by the department, the de-
20 partment shall notify the commission and the commission shall rescind the
21 suspension.

22 “(4) Information collected under this section may be used by the **Oregon**
23 **Business Development** Department to make aggregate figures and analyses
24 of activity under the strategic investment program publicly available.

25 “(5) Specific data concerning the financial performance of individual firms
26 collected under this section is exempt from public disclosure under ORS
27 chapter 192.

28 “(6) [*Within 60 days of*] **After** receiving the reports required under this
29 section, the **Oregon Business Development** Department shall compile and
30 organize the reported information for purposes of ORS 285C.635 and transmit

1 it to the Oregon Department of Administrative Services. **The Oregon Busi-**
2 **ness Development Department shall transmit the information not**
3 **later than April 15.**

4 “(7) The **Oregon Business Development** Department shall adopt rules
5 the department considers necessary to administer ORS 285C.600 to 285C.626.

6 **“SECTION 53.** ORS 316.502 is amended to read:

7 “316.502. (1) The net revenue from the tax imposed by this chapter, after
8 deducting refunds **and amounts described in ORS 285C.635**, shall be paid
9 over to the State Treasurer and held in the General Fund as miscellaneous
10 receipts available generally to meet any expense or obligation of the State
11 of Oregon lawfully incurred.

12 “(2) A working balance of unreceipted revenue from the tax imposed by
13 this chapter may be retained for the payment of refunds, but such working
14 balance shall not at the close of any fiscal year exceed the sum of \$1 million.

15 “(3) Moneys are continuously appropriated to the Department of Revenue
16 to make:

17 “(a) The refunds authorized under subsection (2) of this section; and

18 “(b) The refund payments in excess of tax liability authorized under ORS
19 315.262 and 315.266 and section 17, chapter 906, Oregon Laws 2007.

20 **“SECTION 54. (1) Notwithstanding ORS 285C.615, 285C.635, 285C.639**
21 **and 316.502, as amended by sections 50 to 53 of this 2013 Act:**

22 **“(a) The Department of Revenue shall transfer amounts to the**
23 **Shared Services Fund consisting of the annual amount of personal**
24 **income tax revenue that the Oregon Department of Administrative**
25 **Services determines to be attributable to each eligible project for the**
26 **2011-2012 fiscal year under ORS 285C.615, 285C.635, 285C.639 and 316.502,**
27 **as amended by sections 50 to 53 of this 2013 Act, not sooner than Au-**
28 **gust 1, 2013, and not later than August 15, 2013; and**

29 **“(b) Not later than September 1, 2013, the Oregon Department of**
30 **Administrative Services shall distribute to counties for distribution to**

1 **taxing districts the moneys from the Shared Services Fund.**

2 **“(3) This section is repealed on June 30, 2014.**

3
4 **“JUDICIAL DEPARTMENT**

5
6 **“SECTION 55.** ORS 1.002 is amended to read:

7 “1.002. (1) The Supreme Court is the highest judicial tribunal of the ju-
8 dicial department of government in this state. The Chief Justice of the Su-
9 preme Court is the presiding judge of the court and the administrative head
10 of the judicial department of government in this state. The Chief Justice
11 shall exercise administrative authority and supervision over the courts of
12 this state consistent with applicable provisions of law and the Oregon Rules
13 of Civil Procedure. The Chief Justice, to facilitate exercise of that adminis-
14 trative authority and supervision, may:

15 “(a) Make rules and issue orders appropriate to that exercise.

16 “(b) Require appropriate reports from the judges, other officers and em-
17 ployees of the courts of this state and municipal courts.

18 “(c) Pursuant to policies approved by the Judicial Conference of the State
19 of Oregon, assign or reassign on a temporary basis all judges of the courts
20 of this state to serve in designated locations within or without the county
21 or judicial district for which the judge was elected.

22 “(d) Set staffing levels for all courts of the state operating under the Ju-
23 dicial Department and for all operations in the Judicial Department.

24 “(e) Establish time standards for disposition of cases.

25 “(f) Establish budgets for the Judicial Department and all courts operat-
26 ing under the Judicial Department.

27 “(g) Assign or reassign all court staff of courts operating under the Ju-
28 dicial Department.

29 “(h) Pursuant to policies approved by the Judicial Conference of the State
30 of Oregon, establish personnel rules and policies for judges of courts oper-

1 ating under the Judicial Department.

2 “(i) Establish procedures for closing courts in emergencies.

3 “(j) Establish standards for determining when courts are closed for pur-
4 poses of ORCP 10, ORS 174.120 and other rules and laws that refer to periods
5 of time when courts are closed.

6 “(k) Take any other action appropriate to the exercise of the powers
7 specified in this section and other law, and appropriate to the exercise of
8 administrative authority and supervision by the Chief Justice over the courts
9 of this state.

10 “(2) The Chief Justice may make rules for the use of electronic applica-
11 tions in the courts, including but not limited to rules relating to **any of the**
12 **following**:

13 “(a) Applications based on the use of the Internet and other similar
14 technologies[;].

15 “(b) The use of an electronic document, or use of an electronic image of
16 a paper document in lieu of the original paper copy, for [a] **any record of**
17 **the courts that is maintained under ORS 7.095 and for any** document,
18 process or paper that is served, delivered, received, filed, entered or retained
19 in any action or proceeding[;].

20 “(c) The use of electronic signatures or another form of identification for
21 any document, process or paper that is [*served, delivered, received, filed, en-*
22 *tered or retained in any action or proceeding and that is*] required by any law
23 or rule to be signed[;] **and that is:**

24 “(A) **Served, delivered, received, filed, entered or retained in any**
25 **action or proceeding;**

26 “(B) **Maintained under ORS 7.095; or**

27 “(C) **Transmitted to or from a circuit court under the provisions**
28 **of ORS chapter 10.**

29 “(d) The use of electronic transmission for:

30 “(A) [*The service of*] **Serving** documents in [a] **an action or** proceeding,

1 other than [*service of*] a summons or [*service of*] an initial complaint or pe-
2 tition;

3 **“(B) Filing documents with a court;**

4 **“(C) Transmitting documents to or from a circuit court under the**
5 **provisions of ORS chapter 10; and**

6 **“(D) Providing certified electronic copies of court documents and**
7 **other Judicial Department records to another person or public body.**

8 “(e) Payment of statutory or court-ordered monetary obligations through
9 electronic media[;].

10 “(f) Electronic storage of court documents[;].

11 “(g) Use of electronic citations in lieu of the paper citation forms as al-
12 lowed under ORS 153.770, including use of electronic citations for parking
13 ordinance violations that are subject to ORS 221.333 or 810.425[;].

14 “(h) Public access through electronic means to court documents that are
15 required or authorized to be made available to the public by law[; *and*].

16 “(i) Transmission of open court proceedings through electronic media.

17 “(3) The Chief Justice may make rules relating to the data that state
18 courts may require parties and other persons to submit for the purpose of
19 distinguishing particular persons from other persons. If the rules require the
20 submission of data that state or federal law does not require that the courts
21 make public, the rules may also require courts to keep the data confidential
22 and not release the data except pursuant to a court order issued for good
23 cause shown. Data that is made confidential under the rules is not subject
24 to disclosure under ORS 192.410 to 192.505.

25 “(4) Rules adopted by the Chief Justice under subsection (2) of this sec-
26 tion must be consistent with the laws governing courts and court procedures,
27 but any person who serves, delivers, receives, files, enters or retains an
28 electronic document, or an electronic image of a paper document in lieu of
29 the original paper copy, in the manner provided by a rule of the Chief Jus-
30 tice under subsection (2) of this section shall be considered to have complied

1 with any rule or law governing service, delivery, reception, filing, entry or
2 retention of a paper document.

3 “(5) Rules made and orders issued by the Chief Justice under this section
4 shall permit as much variation and flexibility in the administration of the
5 courts of this state as are appropriate to the most efficient manner of ad-
6 ministering each court, considering the particular needs and circumstances
7 of the court, and consistent with the sound and efficient administration of
8 the judicial department of government in this state.

9 “(6) The Chief Justice may establish fees for the use of the Oregon Judi-
10 cial Information Network.

11 “(7) The judges, other officers and employees of the courts of this state
12 shall comply with rules made and orders issued by the Chief Justice. Rules
13 and orders of a court of this state, or a judge thereof, relating to the conduct
14 of the business of the court shall be consistent with applicable rules made
15 and orders issued by the Chief Justice.

16 “(8) The Chief Judge of the Court of Appeals and the presiding judge of
17 each judicial district of this state are the administrative heads of their re-
18 spective courts. They are responsible and accountable to the Chief Justice
19 of the Supreme Court in the exercise of their administrative authority and
20 supervision over their respective courts. Other judges of the Court of Ap-
21 peals or court under a presiding judge are responsible and accountable to the
22 Chief Judge or presiding judge, and to the Chief Justice, in respect to exer-
23 cise by the Chief Justice, Chief Judge or presiding judge of administrative
24 authority and supervision.

25 “(9) The Chief Justice may delegate the exercise of any of the powers
26 specified by this section to the presiding judge of a court, and may delegate
27 the exercise of any of the administrative powers specified by this section to
28 the State Court Administrator, as may be appropriate.

29 “(10) This section applies to justices of the peace and the justice courts
30 of this state solely for the purpose of disciplining of justices of the peace and

1 for the purpose of continuing legal education of justices of the peace.

2 **“SECTION 56.** ORS 7.240 is amended to read:

3 “7.240. [*The proceedings in probate matters shall be entered and recorded*
4 *by the clerk or court administrator in the following records:*]

5 **“(1) For probate matters in state courts, the clerk or court admin-
6 istrator shall enter and record the proceedings in the register de-
7 scribed in ORS 7.020.**

8 **“(2) For probate matters in courts other than state courts, the clerk
9 or court administrator shall enter and record the proceedings in the
10 following records:**

11 “[*1*] (a) A register, in which shall be entered a memorandum of all offi-
12 cial business transacted by the court or judge thereof pertaining to the estate
13 of each decedent, under the name of the decedent, and that pertaining to
14 each protective proceeding under ORS chapter 125, under the name of the
15 protected person.

16 “[*2*] (b) A probate index, in which shall be kept an index of all the en-
17 tries in the register under the names of the persons to whose estate, person
18 or business the entries relate, which names shall be arranged chronologically
19 in alphabetical order.

20 **“SECTION 57.** ORS 7.124 is amended to read:

21 “7.124. (1) Pursuant to ORS 8.125 (11), the State Court Administrator may
22 establish procedures that provide for the destruction of records, instruments,
23 books, papers, transcripts and other documents filed in a [*circuit*] **state** court
24 after making a photographic film, microphotographic film, electronic image
25 or other photographic or electronic copy of each document that is destroyed.

26 **“(2) A [*circuit*] state court may use procedures established under sub-
27 section (1) of this section only if at the time of making the copy **of the**
28 **document or group of documents**, the [*trial*] court administrator [*for the*
29 *court*] attaches to the copy, attaches to the sealed container in which the
30 copy is placed or incorporates **or causes to be incorporated** into the copy:**

1 “(a) A [*certification*] **statement** that the copy is a correct copy of the
2 original, or of a specified part of the original **document or group of doc-**
3 **uments; and**

4 “(b) The date on which the copy **of the document or group of docu-**
5 **ments** was made[; *and*].

6 “[*c*) A *certification that the copy was made under the trial court*
7 *administrator’s direction and control.*]

8 “(3) A [*trial*] court administrator using film for copies under this section
9 must promptly seal and store at least one original or negative copy of the
10 film in a manner and place that will ensure that the film will not be lost,
11 stolen or destroyed.

12 “(4) A [*trial*] court administrator using electronic images for copies under
13 procedures established under subsection (1) of this section must ensure that
14 the electronic images are continuously updated into commonly used formats
15 and, if necessary, transferred to media necessary to ensure that [*they*] **the**
16 **electronic images** are accessible through commonly used electronic or
17 computerized systems.

18 “(5) [*Copies of documents*] **If a copy of a document** created under this
19 section [*must be*] **is** retained in lieu of the original [*documents*] **document,**
20 **the copy is the official court record for all purposes and must be re-**
21 **tained** for the period established by the schedule prescribed in ORS 8.125
22 (11).

23 **“SECTION 58.** ORS 19.250 is amended to read:

24 “19.250. (1) The notice of appeal [*shall*] **must** contain the following:

25 “(a) The title of the cause. The party appealing a judgment [*shall*] **must**
26 be designated the appellant and the adverse party the respondent, but the
27 title of the action or proceeding is not otherwise changed by reason of the
28 appeal.

29 “(b) The names of the parties and their attorneys.

30 “[*c*) A *notice to all parties or their attorneys as have appeared in the action*

1 *or proceedings that an appeal is taken from the judgment or some specified*
2 *part thereof and designating who are the adverse parties to the appeal.]*

3 **“(c)(A) If an appellant is not represented by an attorney, a postal**
4 **address for the appellant and either an electronic mail address for the**
5 **appellant or a statement that the appellant does not have an electronic**
6 **mail address.**

7 **“(B) If the appellant is represented by an attorney, a postal address**
8 **and electronic mail address for the attorney.**

9 **“(d) A notice to each party that appeared in the action or proceed-**
10 **ing, or to the attorney for the party, that an appeal is taken from the**
11 **judgment or some specified part of the judgment and designating the**
12 **adverse parties to the appeal. The notice of appeal must contain the**
13 **postal address and electronic mail address, if known to the appellant,**
14 **for all other parties designated as parties to the appeal.**

15 **“[(d)] (e) A designation of those portions of the proceedings and exhibits**
16 **to be included in the record in addition to the trial court file. The appellant**
17 **may amend the designation of record at any time after filing the notice of**
18 **appeal until 35 days after the [transcript is filed] filing of a certificate of**
19 **preparation for the transcript under ORS 19.370 (3). The amendment**
20 **must be made** by filing and serving in the same manner as a notice of ap-
21 **peal a notice of amended designation of record. The amended [notice shall]**
22 **designation must** clearly indicate those portions of the proceedings and
23 exhibits being added to or deleted from the original designation of record.
24 The designation may not be later amended by the appellant unless the ap-
25 pellate court so orders.

26 **“[(e)] (f) A plain and concise statement of the points on which the**
27 **appellant intends to rely. On appeal, the appellant may rely on no other**
28 **points than those set forth in such statement. If the appellant has designated**
29 **for inclusion in the record all the testimony and all the instructions given**
30 **and requested, no statement of points is necessary. Not later than the 15th**

1 day following the filing of the **certificate of preparation for the** transcript
2 **under ORS 19.370 (3)**, the appellant may serve and file an amended state-
3 ment of points. Except by approval of the court, the appellant may then rely
4 on no other points than those set forth in such amended statement.

5 “[*f*] (**g**) The signature of the appellant or attorney for the appellant.

6 “(2) Within 14 days after the filing of the notice of appeal or [*notice of*]
7 amended designation of record, any other party may serve and file a desig-
8 nation of additional parts of the proceedings and exhibits to be included in
9 the record. Such designation [*shall*] **must** be served and filed as provided for
10 the serving and filing of a notice of appeal under ORS 19.240 and 19.260. If
11 such party also appeals, the designation [*shall*] **must** be included in the no-
12 tice of appeal of the party and [*shall*] **may** not be served and filed separately.

13 “[*3*] *The reporter shall prepare a transcript of such parts of the proceedings*
14 *as are designated pursuant to subsection (1)(d) of this section and subsection*
15 *(2) of this section.*]

16 “**SECTION 59.** ORS 19.365 is amended to read:

17 “19.365. (1) The record of the case [*shall*] **must** be prepared and trans-
18 mitted to the court to which the appeal is made in the manner provided in
19 this chapter.

20 “(2) The record on appeal [*shall consist*] **consists** of those parts of the
21 trial court file, exhibits and record of oral proceedings in the trial court that
22 are designated under ORS 19.250. The record of oral proceedings [*shall be*]
23 **is** the transcript prepared under ORS 19.370, an agreed narrative statement
24 prepared under ORS 19.380 or the audio record if the appellate court has
25 waived preparation of a transcript under ORS 19.385.

26 “(3) [*The trial court administrator shall, upon request of the State Court*
27 *Administrator, deliver the record of the case to the appellate court.*] **The trial**
28 **court administrator shall make the trial court record available to the**
29 **State Court Administrator in the manner specified by rules of the ap-**
30 **pellate court.**

1 “(4) When it appears to the appellate court that the record on appeal is
2 erroneous or that the record does not contain material that should have been
3 part of the trial court file, and the erroneous or incomplete record substan-
4 tially affects the merits of the appeal, on motion of a party or on its own
5 motion the **appellate** court may make such order to correct or supplement
6 the record as may be just.

7 “(5) If the record on appeal is not sufficient to allow the appellate court
8 to review an assignment of error, the **appellate** court may decline to review
9 the assignment of error and may dismiss the appeal if there are no other
10 assignments of error that may be reviewed.

11 “(6) [*Unless otherwise ordered by the appellate court,*] **Except as provided**
12 **by rules of the appellate court,** the State Court Administrator shall return
13 the trial court file and the exhibits to the trial court administrator upon
14 issuance of the appellate judgment disposing of the appeal.

15 “**SECTION 60.** ORS 19.370, as amended by section 7, chapter 48, Oregon
16 Laws 2012, is amended to read:

17 “19.370. [(1) *If a transcript is prepared from audio records by a person other*
18 *than the reporter, then the reporter shall certify the audio records and the*
19 *transcript shall be certified by the person preparing it. In all other cases the*
20 *transcript shall be certified by the reporter or the trial judge.*]

21 “[(2) *Except as provided in subsection (3) of this section, the person pre-*
22 *paring the transcript shall file the transcript with the trial court administrator*
23 *within 30 days after the filing of the notice of appeal. The person preparing*
24 *the transcript shall give immediate notice in writing to the parties that the*
25 *transcript has been filed. Except as provided in subsection (4) of this section,*
26 *the person preparing the transcript shall serve the respondent with a copy of*
27 *the transcript and shall, at the time of filing the original transcript, file proof*
28 *of such service with the trial court administrator, and with the State Court*
29 *Administrator.*]

30 “[(3) *If an appeal is referred to the appellate settlement program established*

1 by the Court of Appeals pursuant to ORS 2.560, the transcript must be filed
2 within 30 days after expiration of the period of time specified in the rules
3 during which the appeal is held in abeyance, or within 30 days after the court
4 directs that the appeal no longer be held in abeyance, whichever occurs first.]

5 “[4] If there are two or more parties in addition to the appellant who have
6 appeared in the trial court and who are represented by different attorneys, the
7 person preparing the transcript shall at the time of filing the original tran-
8 script deposit a copy thereof with the trial court administrator for use by all
9 such other parties. The person preparing the transcript shall serve notice of
10 such deposit upon all such parties and file proof of such service with the trial
11 court administrator and with the State Court Administrator.]

12 “[5] Except as provided in subsection (6) of this section, within 15 days
13 after the transcript is filed, any party may move the trial court for an order
14 to correct any errors appearing in the transcript or, where the interests of
15 justice require, to have additional parts of the proceedings included in the
16 transcript. If two or more persons are preparing parts of the transcript, the
17 motion must be filed within 15 days after the last part of the transcript is filed.
18 A copy of any such motion shall be filed with the court to which the appeal
19 is made. The trial court shall direct the making of such corrections and the
20 adding of such matter as may be appropriate and shall fix the time within
21 which such corrections or additions shall be made.]

22 “[6] If an appeal is referred to the appellate settlement program established
23 by the Court of Appeals pursuant to ORS 2.560, and the transcript is filed
24 during any period of time specified in the rules during which the appeal is
25 held in abeyance, a motion under subsection (5) of this section must be filed
26 within 15 days after expiration of the period of time the appeal is held in
27 abeyance, or within 15 days after the court directs that the appeal no longer
28 be held in abeyance, whichever occurs first.]

29 “[7] Upon the denial of a motion to correct or add to the transcript under
30 subsection (5) of this section, or upon the making of such corrections or addi-

1 *tions as may be ordered, whichever last occurs, the trial court shall enter an*
2 *order settling the transcript and send copies thereof to each of the parties or*
3 *their attorneys and to the State Court Administrator. In the absence of a*
4 *motion to correct or add to the transcript, the transcript shall be deemed au-*
5 *tomatically settled 15 days after it is filed.]*

6 **“(1) If a transcript is prepared from audio records by a person other**
7 **than the reporter, the reporter shall certify the records and the**
8 **transcriber shall certify the transcript. In all other cases, the tran-**
9 **script must be certified by the reporter or the trial judge.**

10 **“(2) A transcriber shall prepare a transcript in the format pre-**
11 **scribed by the court by the later of:**

12 **“(a) Thirty days after the filing of the notice of appeal; or**

13 **“(b) Thirty days after the expiration of any abeyance of the appeal**
14 **imposed by reason of the referral of the appeal to the appellate**
15 **settlement program established by the Court of Appeals pursuant to**
16 **ORS 2.560.**

17 **“(3) Immediately after preparing a transcript, the transcriber shall:**

18 **“(a) Serve a copy of the transcript on the parties to the appeal in**
19 **the manner required by subsection (4) of this section; and**

20 **“(b) File a certificate of preparation for the transcript with the**
21 **State Court Administrator. The certificate must indicate that the**
22 **transcript has been served in the manner required by subsection (4)**
23 **of this section. A copy of the certificate must be served on the trial**
24 **court administrator, the transcript coordinator and the parties.**

25 **“(4) A transcriber may agree with a party or an attorney on the**
26 **manner in which a transcript will be served. If there is no agreement,**
27 **a transcriber shall serve a transcript in the following manner:**

28 **“(a) Subject to paragraph (d) of this subsection, if an appellant is**
29 **not represented by an attorney, the transcriber shall serve an elec-**
30 **tronic copy of the transcript on the appellant at the electronic mail**

1 address provided by the appellant unless the appellant specifically re-
2 quests that a paper copy of the transcript be mailed to the appellant
3 at the postal address indicated in the notice of appeal. If an electronic
4 mail address for the appellant does not appear in the notice of appeal,
5 the transcriber shall mail a paper copy of the transcript to the
6 appellant at the postal address indicated in the notice of appeal.

7 “(b) Subject to paragraph (d) of this subsection, if a respondent is
8 not represented by an attorney, the transcriber shall mail a paper copy
9 of the transcript to the respondent at the postal address indicated in
10 the notice of appeal unless the respondent specifically requests that
11 the transcriber serve an electronic copy of the transcript on the re-
12 spondent at the electronic mail address provided by the respondent.

13 “(c) If a party is represented by an attorney, the transcriber shall
14 serve an electronic copy of the transcript on the attorney at the elec-
15 tronic mail address of the attorney identified in the notice of appeal.

16 “(d) If two or more unrepresented appellants request paper copies
17 of a transcript under paragraph (a) of this subsection, or two or more
18 unrepresented respondents request paper copies of a transcript under
19 paragraph (b) of this subsection, the transcriber shall deposit a copy
20 of the transcript with the trial court administrator for the use of the
21 unrepresented parties. The copy must be in the medium specified by
22 the trial court administrator. The transcriber shall serve notice on
23 the unrepresented parties that the transcript has been deposited with
24 the trial court administrator, and shall file proof of that service with
25 the trial court administrator and with the State Court Administrator.
26 Deposit of a copy of a transcript with the trial court administrator
27 under this paragraph constitutes service of the transcript on the un-
28 represented parties to the appeal.

29 “(5) If two or more transcribers are preparing parts of the tran-
30 script, the certificate of preparation is considered filed under sub-

1 section (3) of this section when the final certificate of preparation is
2 filed with the State Court Administrator.

3 “(6)(a) Within 15 days after a certificate of preparation is filed un-
4 der subsection (3) of this section, any party may file a motion with the
5 trial court for correction of errors appearing in the transcript or to
6 have additional parts of the proceedings included in the transcript. If
7 a certificate of preparation is filed with the State Court Administrator
8 during any period that the appeal is in abeyance by reason of the re-
9 ferral of the appeal to the appellate settlement program established
10 by the Court of Appeals pursuant to ORS 2.560, a motion under this
11 subsection must be filed within 15 days after the expiration of the
12 abeyance.

13 “(b) A copy of a motion to correct or add to the transcript made
14 under this subsection must be served on the State Court Administra-
15 tor. If the motion is denied, the trial court shall enter an order settl-
16 ing the transcript and transmit a copy of the order to the State Court
17 Administrator.

18 “(c) If a motion is granted under this subsection, the trial court
19 shall direct the making of such corrections and the adding of such
20 matter as may be appropriate and shall fix the time within which such
21 corrections or additions must be made. Immediately after preparing
22 the corrected or additional transcript, the transcriber shall serve a
23 copy of the transcript on the parties in the manner required by sub-
24 section (4) of this section, and shall file proof of that service with the
25 trial court administrator, the transcript coordinator and the State
26 Court Administrator. Upon receiving proof of service from all
27 transcribers of the proceedings, the State Court Administrator shall
28 issue a notice to the parties indicating that the transcript has been
29 settled.

30 “(7) Unless a motion to correct or add to the transcript is made

1 under subsection (6) of this section, a transcript is automatically set-
2 tled 15 days after a certificate of preparation is filed under subsection
3 (3) of this section. If a motion to correct or add to the transcript is
4 made, the transcript is settled on the date that the State Court Ad-
5 ministrator issues the notice to the parties under subsection (6) of this
6 section.

7 “(8) When a transcript is settled, the State Court Administrator
8 shall notify each transcriber who filed a certificate of preparation.
9 Upon receiving the notice, a transcriber shall file an electronic copy
10 of the transcript with the State Court Administrator in the manner
11 and format prescribed by rules of the appellate court.

12 “**SECTION 61.** ORS 21.345 is amended to read:

13 “21.345. (1)(a) A [*reporter appointed under ORS 8.340 (2)*] **transcriber** may
14 not charge more than [*[\$2.50]*] **\$3** per page for [*the original transcript, or more*
15 *than 25 cents per page for each additional copy, for preparing transcripts on*
16 *appeal as provided in ORS 8.350*] **preparation of a transcript.**

17 “(b) **A transcriber may not charge a fee in addition to the fee es-**
18 **tablished under this subsection for:**

19 “(A) **An electronic copy required to be served on a party;**

20 “(B) **A paper copy required to be served on an unrepresented party**
21 **under ORS 19.370 (4)(a) or (b); or**

22 “(C) **A paper copy required to be filed with the trial court under**
23 **ORS 19.370 (4)(d).**

24 “(2) Except as provided in subsection (3) of this section, a reporter em-
25 ployed by one of the parties may charge fees as agreed to between the re-
26 porter and all of the parties to the proceeding for preparing transcripts on
27 appeal [*as provided in ORS 8.350*]. The reporter and the parties [*shall*] **must**
28 agree to the fees to be charged [*prior to*] **before** the commencement of the
29 proceeding to be recorded. **A share of** any fees agreed upon shall be charged
30 to parties joining the proceeding after the commencement of the proceeding

1 [for preparing transcripts on appeal as provided in ORS 8.350].

2 “(3) A reporter employed by one of the parties may not charge a public
3 body, as defined by ORS 174.109, fees for preparing transcripts on appeal [*as*
4 *provided in ORS 8.350*] that exceed the fees established by subsection (1) of
5 this section.

6 “(4) Each page of the original transcript on appeal prepared [*by a*
7 *reporter*] under this section must be prepared as specified by rules for tran-
8 scripts on appeal adopted by the Supreme Court **and the Court of**
9 **Appeals.**

10 “(5) Except as otherwise provided by law, the fees for preparing a tran-
11 script requested by a party shall be paid forthwith by the party, and when
12 paid shall be taxable as disbursements in the case. The fees for preparing a
13 transcript requested by the court, and not by a party, shall be paid by the
14 state from funds available for the purpose.

15 “(6) When the court provides personnel to prepare transcripts from audio
16 records of court proceedings, the [*transcript*] fees provided in subsection (1)
17 of this section to be paid by a party shall be paid to the clerk of the court.

18 “(7) **For purposes of this section, ‘transcript’ has the meaning given**
19 **that term in ORS 19.005.**

20 “**SECTION 62. The amendments to ORS 19.250, 19.365, 19.370 and**
21 **21.345 by sections 58 to 61 of this 2013 Act apply only to transcripts**
22 **requested on or after the effective date of this 2013 Act.**

23 “**SECTION 63. Section 62 of this 2013 Act and the amendments to**
24 **ORS 1.002, 7.124, 7.240, 19.250, 19.365, 19.370 and 21.345 by sections 55 to**
25 **61 of this 2013 Act become operative only if House Bill 2562 does not**
26 **become law.**

27

28 “**CONCILIATION AND MEDIATION SERVICES**
29 **AND LAW LIBRARIES**

30

1 **“SECTION 64. (1) Notwithstanding section 8 (1), chapter __, Oregon**
2 **Laws 2013 (Enrolled House Bill 5016), amounts distributed to counties**
3 **under section 8 (2), chapter __, Oregon Laws 2013 (Enrolled House Bill**
4 **5016), may be used for:**

5 **“(a) The provision of conciliation and mediation services in circuit**
6 **courts; or**

7 **“(b) The operation of law libraries or the provision of law library**
8 **services.**

9 **“(2) Subject to subsection (3) of this section, a governing body of a**
10 **county may determine the amount to be spent on each of the two**
11 **purposes specified in subsection (1) of this section from the amounts**
12 **distributed to the county under section 8 (2), chapter __, Oregon Laws**
13 **2013 (Enrolled House Bill 5016).**

14 **“(3) The governing body of a county may not spend more than**
15 **one-half of the amount distributed to the county under section 8 (2),**
16 **chapter __, Oregon Laws 2013 (Enrolled House Bill 5016), for the pro-**
17 **vision of conciliation and mediation services in circuit courts.**

18
19 **“OREGON DEPARTMENT OF ADMINISTRATIVE SERVICES**
20

21 **“SECTION 65. (1) For each calendar quarter, a state agency shall**
22 **report to the Oregon Department of Administrative Services the**
23 **number of state agency employees during the preceding calendar**
24 **quarter who received a pay-line exception and the amount of each**
25 **pay-line exception. For each calendar quarter, the department shall**
26 **compile the results of the state agency reports and submit the results**
27 **to the Legislative Fiscal Officer.**

28 **“(2) As used in this section:**

29 **“(a) ‘Pay-line exception’ means any dollar amount added to the base**
30 **salary of an employee, including, but not limited to, as a percentage**

1 of the base salary or as a specified dollar amount.

2 “(b) ‘State agency’ has the meaning given that term in ORS 291.263.

3
4 “TRANSFERS

5
6 “SECTION 66. Except as provided in sections 33 and 40 of this 2013
7 Act, the transfers described in sections 1, 7, 10, 30, 31 and 34 of this
8 2013 Act shall be made on the effective date of this 2013 Act from
9 moneys maintained, on the effective date of this 2013 Act, in the funds
10 or accounts from which the transfers are made.

11
12 “STATE TREASURER

13
14 “SECTION 67. ORS 293.812 is amended to read:

15 “293.812. As used in ORS 293.811 to 293.817:

16 “(1) ‘Company’ means any sole proprietorship, organization, firm, associ-
17 ation, corporation, utility, partnership, venture, public franchise, franchisor,
18 franchisee or its wholly owned subsidiary that exists for profit-making pur-
19 poses or otherwise to secure economic advantage.

20 “[*(2) ‘Doing business’ means maintaining equipment, facilities, personnel*
21 *or any other apparatus of business or commerce in Sudan, including the own-*
22 *ership or possession of real or personal property located in Sudan.*]

23 “[*(3) ‘Investment’ or ‘Invest’ means the commitment of funds or other assets*
24 *to a company, including a loan or other extension of credit made to that com-*
25 *pany, or the ownership or control of a share or interest in that company or of*
26 *a bond or other debt instrument issued by that company.*]

27 “[*(4) ‘Subject investment funds’ means:*]

28 “[*(a) The Public Employees Retirement Fund referred to in ORS 238.660;*]

29 “[*(b) The Industrial Accident Fund referred to in ORS 656.632;*]

30 “[*(c) The Common School Fund referred to in ORS 327.405;*]

1 “[(d) *The Oregon War Veterans’ Fund referred to in ORS 407.495; and*]

2 “[(e) *Investment funds of the State Board of Higher Education available for*
3 *investment or reinvestment by the Oregon Investment Council.*]

4 “(2) **‘Fund of funds’ means investment funds that function by sec-**
5 **ondary investment in a portfolio of other investments, including in-**
6 **vestment funds.**

7 “(3) **‘Index funds’ means pooled investments that are passively**
8 **managed with an intent to match or track the performance of a mar-**
9 **ket index.**

10 “(4) **‘Invest’ means to commit funds or other assets to a company.**
11 **‘Invest’ includes making a loan or other extension of credit to a**
12 **company, or owning or controlling a share or interest in a company**
13 **or a bond or other debt instrument issued by a company.**

14 “(5) **‘Investment’ means the commitment of funds or other assets**
15 **to a company for an interest in the company. ‘Investment’ includes**
16 **the ownership or control of a share or interest in a company or of a**
17 **bond or other debt instrument issued by a company.**

18 “(6) **‘Scrutinized company’ means any company that currently has**
19 **an investment, in the Sudan, from which federal law specifically al-**
20 **lows public pension plans to divest.**

21 “[(5)] (7) **‘Sudan’ means the Republic of the Sudan and any territory under**
22 **the administration, legal or illegal, of Sudan, including but not limited to the**
23 **Darfur region.**

24 “**SECTION 68. Sections 69 to 73 of this 2013 Act are added to and**
25 **made a part of ORS 293.811 to 293.817.**

26 “**SECTION 69. (1) The Oregon Investment Council and the State**
27 **Treasurer, in the State Treasurer’s role as investment officer for the**
28 **council, shall act reasonably and in a manner consistent with fiduciary**
29 **standards, including the provisions of ORS 293.721 and 293.726, to try**
30 **to ensure that managers who are engaged by the council or the State**

1 Treasurer for the active management of investment funds consisting
2 of the Public Employees Retirement Fund referred to in ORS 238.660,
3 through the purchase and sale of publicly traded equities, are not in-
4 vesting in publicly traded equities of any scrutinized company.

5 “(2) Subsection (1) of this section does not apply to investment in-
6 directly made through index funds, fund of funds or privately placed
7 investments.

8 **“SECTION 70. (1) Consistent with fiduciary standards, including the**
9 **provisions of ORS 293.721 and 293.726, the State Treasurer shall adopt**
10 **a statement of policy that describes a process of engagement with**
11 **managers who:**

12 **“(a) Are engaged by the Oregon Investment Council or the State**
13 **Treasurer for the active management of investment funds consisting**
14 **of the Public Employees Retirement Fund referred to in ORS 238.660**
15 **through the purchase and sale of publicly traded equities; and**

16 **“(b) Have invested such funds in scrutinized companies.**

17 **“(2) The policy required under subsection (1) of this section must**
18 **require the State Treasurer, to the extent practicable, to identify and**
19 **send a written notice to the managers described in subsection (1) of**
20 **this section. The notice shall encourage the managers, consistent with**
21 **fiduciary standards, including the provisions of ORS 293.721 and**
22 **293.726, to:**

23 **“(a) Notify scrutinized companies with which the managers have**
24 **made investments of the State Treasurer’s policy adopted pursuant to**
25 **subsection (1) of this section; and**

26 **“(b) Not later than 90 days after giving the notice, end investments**
27 **in the scrutinized companies and avoid future investments in the**
28 **scrutinized companies, as long as the managers may do so without**
29 **monetary loss through reasonable, prudent and productive invest-**
30 **ments in companies generating returns that are comparable to the**

1 returns generated by the scrutinized companies.

2 “(3) A notice provided by a manager to a scrutinized company under
3 subsection (2) of this section shall advise the scrutinized company that
4 the company may comment in writing to the State Treasurer to dis-
5 pute the identification of the company as a scrutinized company.

6 “(4) If the State Treasurer determines under subsection (3) of this
7 section that a company is not a scrutinized company, the State
8 Treasurer shall notify the relevant manager of the State Treasurer’s
9 determination.

10 “(5) The State Treasurer shall advise the Oregon Investment
11 Council of a notice the State Treasurer provides under subsection (2)
12 of this section if the manager to whom the notice was given has not
13 informed the State Treasurer within 180 days after the date the notice
14 was given that the manager has ended the manager’s investment in
15 scrutinized companies or plans to divest from its investment in scru-
16 tinized companies.

17 **“SECTION 71.** On or before March 15 of each year, the State
18 Treasurer shall make available on the State Treasurer’s website a
19 summary of actions taken during the previous year in accordance with
20 ORS 293.811 to 293.817. The summary shall include a list of identified
21 scrutinized companies.

22 **“SECTION 72.** (1) Sections 70 (2) to (5) and 71 of this 2013 Act apply
23 only if the Legislative Assembly appropriates sufficient moneys to the
24 State Treasurer, other than moneys described by ORS 293.718 or mon-
25 eys in the Public Employees’ Retirement Fund, to administer sections
26 70 (2) to (5) and 71 of this 2013 Act.

27 **“SECTION 73.** The State Treasurer shall first make available on the
28 State Treasurer’s website the information required under section 71
29 of this 2013 Act not later than March 15, 2014.

30 **“SECTION 74.** Sections 69 to 71 of this 2013 Act and the amendments

1 to ORS 293.812 by section 67 of this 2013 Act apply to investments made
2 prior to, on or after the effective date of this 2013 Act.

3 **“SECTION 75. ORS 293.814, 293.815, 293.816 and 293.817 are repealed.**

4 **“SECTION 76.** ORS 328.331 is amended to read:

5 “328.331. (1) Any school district may request that the State Treasurer is-
6 sue a certificate evidencing qualification of its school bonds for the state
7 guaranty.

8 “(2) The State Treasurer may, in accordance with ORS chapter 183, adopt
9 and enforce rules that prescribe procedures for school district applications
10 to qualify for the certificate of qualification and state guaranty and rules
11 that prescribe the **conditions and** standards a school district must meet to
12 qualify and to maintain qualification. The State Treasurer, by rule, may es-
13 tablish, but shall not be limited to:

14 “(a) A requirement that a school district pay a processing fee, sufficient
15 to defray the State Treasurer’s costs in processing and verifying applications,
16 for each application and each application for annual renewal of a certificate
17 of qualification.

18 “(b) Deadlines or application periods in which school districts must sub-
19 mit applications.

20 “(c) The character, quality and currency of the information on the finan-
21 cial affairs and condition of a school district that must be submitted for a
22 school district’s application to be considered.

23 “(d) The form and character of any certifications or affidavits required
24 of officials of the applying school districts concerning the accuracy and
25 completeness of the information provided in conjunction with the district’s
26 application.

27 “(e) Any other matters necessary to making reliable assessments of the
28 fiscal and financial affairs and condition of applying school districts.

29 **“(f) Requirements related to additional conditions the school dis-**
30 **trict must meet, which may include requiring a pledge of school dis-**

1 **strict revenues or the grant of a security in other assets of the school**
2 **district, to assure the State Treasurer that the school district will be**
3 **able to fully reimburse the state for amounts transferred by the State**
4 **Treasurer and any interest or penalties applicable to the transferred**
5 **amounts.**

6 “[*f*] (g) The manner of designating the particular school bonds to which
7 the State Treasurer’s certificate of qualification and the state guaranty ap-
8 plies.

9 “[*g*] (h) Subject to Article XI-K of the Oregon Constitution, reasonable
10 limitations on:

11 “(A) The total aggregate outstanding amount of all school bonds the state
12 may guarantee; and

13 “(B) The outstanding amount of the school bonds of any single school
14 district the state may guarantee.

15 “[*h*] (i) The method of providing notice of denial of a certificate of
16 qualification.

17 “[*i*] (j) The method of providing notice of disqualification to school dis-
18 tricts that fail to qualify or for which changes in financial affairs or condi-
19 tion or failure to provide the State Treasurer current or updated information
20 warrant disqualification of the school district.

21 “[*j*] (k) Requirements for promptly reporting to the State Treasurer any
22 changes in condition or occurrences that may affect a school district’s el-
23 igibility to qualify or maintain its qualification to participate in the state
24 guaranty program.

25 “(3)(a) After reviewing the request, if the State Treasurer determines that
26 the school district is eligible, the State Treasurer shall promptly issue the
27 certificate of qualification and provide it to the requesting school district.

28 “(b)(A) Unless the certificate of qualification is revoked by the State
29 Treasurer, and subject to the fulfillment of any conditions or requirements
30 imposed by the State Treasurer, the school district receiving the certificate

1 and all other persons may rely on the certificate as evidencing eligibility for
2 the state guaranty for one year from and after the date of the certificate.

3 “(B) [No] **A** revocation of a certificate of qualification [shall] **does not**
4 affect the state guaranty of any outstanding school bonds previously issued
5 under a valid certificate.

6 “(4) Any qualified school district that chooses to forgo the benefits of the
7 state guaranty for a particular issue of school bonds may do so by not re-
8 ferring to ORS 328.321 to 328.356 on the face of its school bonds.

9 “(5) [No] **A** school district that has school bonds, the principal of or in-
10 terest on which has been paid in whole or in part by the state under ORS
11 328.341, [may be] **is not** eligible to issue any additional school bonds with
12 the state guaranty until:

13 “(a) All payment obligations of the school district to the state under ORS
14 328.346 are satisfied; and

15 “(b) The State Treasurer certifies in a writing, to be kept on file by the
16 State Treasurer, that the school district is fiscally solvent.

17 **“SECTION 77.** ORS 328.346 is amended to read:

18 “328.346. (1)(a) If one or more payments on school bonds are made by the
19 State Treasurer as provided in ORS 328.341, the State Treasurer shall pursue
20 recovery from the school district of all moneys necessary to reimburse the
21 state for all amounts paid by the treasurer to the paying agent, as well as
22 interest, penalties and any additional costs incurred by the treasurer as de-
23 scribed in this section. In seeking recovery, the State Treasurer may:

24 “(A) Intercept any payments from the General Fund, the State School
25 Fund, the income of the Common School Fund and any other source of op-
26 erating moneys provided by or through the state to the school district that
27 issued the school bonds that would otherwise be paid to the school district
28 by the state; [and]

29 **“(B) Exercise the rights of a secured creditor in any moneys or as-**
30 **sets pledged by the school district to secure the district’s reimburse-**

1 **ment obligation to the state; and**

2 “[*B*)] (C) Apply any intercepted payments **and pledged moneys or as-**
3 **sets** to reimburse the state for payments made pursuant to the state guar-
4 anty until all obligations of the school district to the state arising from
5 those payments, including interest and penalties, and any additional costs
6 incurred by the treasurer as described in this section are paid in full.

7 “(b) The state has no obligation to the school district or to any person
8 or entity to replace any moneys **or assets** intercepted **or pledged** under au-
9 thority of this section.

10 “(c) The authority of the State Treasurer to intercept payments **and the**
11 **lien in any pledged moneys** under this subsection [*has*] **have** priority over
12 all claims against money provided by the state to a school district, including
13 a claim that is based on a funds diversion agreement under ORS 238.698. A
14 funds diversion agreement under ORS 238.698 has priority over all other
15 claims against money provided by the state to a school district.

16 “(2) The school district that issued school bonds for which the state has
17 made all or part of a debt service payment shall:

18 “(a) Reimburse all moneys drawn or paid by the State Treasurer on its
19 behalf;

20 “(b) Pay interest to the state on all moneys paid by the state from the
21 date the moneys were drawn to the date they are repaid at a rate to be de-
22 termined by the State Treasurer, in the State Treasurer’s discretion, to be
23 sufficient to cover the costs of funds to the state plus the costs of adminis-
24 tration of the state guaranty obligation and of collection of reimbursement;
25 and

26 “(c) Pay any applicable penalties as described in subsection (3) of this
27 section.

28 “(3)(a) The State Treasurer shall establish the reimbursement interest rate
29 after considering the circumstances of any prior draws by the school district
30 on the state, market interest and penalty rates and the cost of funds, if any,

1 that were required to be used or borrowed by the state to make payment on
2 the school bonds. The State Treasurer shall have authority to establish, by
3 negotiations with the school district or otherwise, any plan of reimbursement
4 by the school district that will result in full and complete reimbursement to
5 the state. Subject to the requirement for full and complete reimbursement,
6 the State Treasurer may consider incorporating into the reimbursement plan
7 the means and methods to allow the school district to continue its operations
8 during the time the reimbursement plan is in effect.

9 “(b) The State Treasurer may, after considering the circumstances giving
10 rise to the failure of the school district to make payment on its school bonds
11 in a timely manner, impose on the school district a penalty of not more than
12 five percent of the amount paid by the state pursuant to the state guaranty
13 for each instance in which a payment by the state is made.

14 “(4)(a) If the State Treasurer determines that amounts obtained under this
15 section will not reimburse the state in full within the time determined by the
16 State Treasurer or incorporated in the reimbursement plan from the state’s
17 payment of a school district’s debt service payment, the State Treasurer shall
18 pursue any legal action, including but not limited to mandamus, against the
19 school district or school district board to compel the school district to:

20 “(A) Levy and provide property tax revenues to pay debt service on its
21 school bonds and other obligations when due; and

22 “(B) Meet its repayment obligations to the state.

23 “(b) With respect to any school bonds for which the State Treasurer has
24 made payment under the state guaranty, and in addition to any other rights
25 or remedies available at law or in equity, the state shall have the same
26 substantive and procedural rights as would a holder of the school bonds of
27 a school district.

28 “(c) The Attorney General shall assist the State Treasurer in the dis-
29 charge of the duties under this section.

30 “(d) The school district shall pay the attorney fees, expenses and costs

1 of the State Treasurer and the Attorney General.

2 “(5)(a) Except as provided in paragraph (c) of this subsection, any school
3 district whose funds were intercepted **or otherwise paid to the State**
4 **Treasurer** under this section may replace those funds from other school
5 district moneys or from ad valorem property taxes, subject to the limitations
6 provided in this subsection.

7 “(b) A school district may use ad valorem property taxes or other moneys
8 to replace intercepted funds **or other funds paid to the State Treasurer**
9 only if the ad valorem property taxes or other moneys were derived from:

10 “(A) Taxes originally levied to make the payment, but which were not
11 timely received by the school district;

12 “(B) Taxes from a special levy imposed to make up the missed payment
13 or to replace the intercepted [*moneys*] **funds or funds otherwise paid to**
14 **the State Treasurer;**

15 “(C) Moneys transferred from any lawfully available funds of the school
16 district or the undistributed reserves, if any, of the school district; or

17 “(D) Any other source of moneys on hand and legally available.

18 “(c) Notwithstanding paragraphs (a) and (b) of this subsection, a school
19 district may not replace operating funds intercepted by the state **or other-**
20 **wise paid to the State Treasurer** with moneys collected and held to make
21 payments on school bonds if that replacement would divert moneys from the
22 payment of future debt service on the school bonds and increase the risk that
23 the state guaranty would be called upon a second time.

24 **“SECTION 78. Section 79 of this 2013 Act is added to and made a**
25 **part of ORS 328.321 to 328.356.**

26 **“SECTION 79. (1) Except for moneys subject to the intercept pro-**
27 **vided in ORS 328.346 (1)(a), a school district may pledge as security for**
28 **its obligation to reimburse the state under ORS 328.346 (2) any:**

29 **“(a) Revenues received or held by the school district; or**

30 **“(b) Real or personal property held by the school district.**

1 “(2) The lien of any pledge, mortgage or security interest granted
2 by a school district under this section is valid and binding from the
3 time the pledge is granted. The revenue or property is immediately
4 subject to the lien without physical delivery, filing or other act, and
5 the lien is superior to all other claims and liens of any kind whatso-
6 ever.

7 “(3) The lien may be foreclosed by a proceeding brought in the cir-
8 cuit courts of the state and any tangible real or personal property
9 subject to the lien may be sold upon an order of the court. The pro-
10 ceeds of the sale must be applied first to the payment of the costs of
11 foreclosure and then to the amounts owing under ORS 328.346 (2), with
12 any remaining balance paid to the school district.

13
14 “OREGON UNIVERSITY SYSTEM

15
16 “**SECTION 80.** If Senate Bill 270 becomes law, section 16, chapter ____,
17 Oregon Laws 2013 (Enrolled Senate Bill 270), is amended to read:

18 “**Sec. 16.** (1) The following entities are not subject to any provision of law
19 enacted after January 1, 2013, that is unique to governmental entities unless
20 the following entities are expressly named:

21 “(a) A university with a governing board; and

22 “(b) Any not-for-profit organization or other entity if the equity of the
23 entity is owned or controlled exclusively by a university with a governing
24 board and if the organization or entity is created by the university to ad-
25 vance any of the university’s statutory missions.

26 “(2) Notwithstanding subsection (1) of this section, the provisions of ORS
27 30.260 to 30.460, 33.710, 33.720, 200.005 to 200.025, 200.045 to 200.090, 236.605
28 to 236.640, 276.080, **276.090**, 279.835, 279.840, 279.850 and 297.040 and ORS
29 chapters 35, 190, 192 and 244 apply to a university with a governing board
30 under the same terms as they apply to public bodies other than the state.

1 “(3) Except as otherwise provided by law, the provisions of ORS 35.550 to
2 35.575, 180.060, 180.210 to 180.235, 184.305 to 184.345, 190.480, 190.490, 200.035,
3 243.696, 357.805 to 357.895 and 656.017 (2) and ORS chapters 182, 183, 240, 270,
4 273, 276, 278, 279A, 279B, 279C, 282, 283, 291, 292, 293, 294, 295 and 297 do not
5 apply to a university with a governing board.

6 “(4) Notwithstanding subsections (1) and (3) of this section, ORS 240.167,
7 279C.600 to 279C.625, 279C.800, 279C.810, 279C.825, 279C.830, 279C.835,
8 279C.840, 279C.845, 279C.850, 279C.855, 279C.860, 279C.865, 279C.870 and
9 292.043 apply to a university with a governing board under the same terms
10 as they apply to public bodies other than the state.

11 “(5) Notwithstanding subsection (2) of this section, ORS 190.430 and
12 192.105 do not apply to a university with a governing board or any organ-
13 ization or other entity described in subsection (1) of this section.

14 “(6) Except as set forth in subsection (3) of this section, ORS 243.650 to
15 243.782 apply to a university with a governing board under the same terms
16 as they apply to the state.

17 “(7) ORS 351.065, 351.067, 351.642, 351.643, 351.644, 351.646, 351.656, 351.658,
18 352.012 and 352.375 apply to a university with a governing board, except that
19 the board or university shall exercise the responsibilities and authorities of
20 the State Board of Higher Education or the Oregon University System.

21 “(8) A university with a governing board and its agents and employees
22 remain subject to all statutes and administrative rules of this state that
23 create rights, benefits or protections in favor of military veterans, service
24 members and families of service members to the same extent as an agency
25 of this state would be subject to such statutes and administrative rules.

26 “(9) ORS 351.692, 351.695 and 351.697 apply to a governing board, except
27 that the board has the responsibilities and authorities with respect to the
28 university it governs that the State Board of Higher Education and the
29 Oregon University System have with respect to the public universities iden-
30 tified in ORS 351.011. A university with a governing board may not issue a

1 tax credit certificate under ORS 351.692, 351.695 and 351.697 that will cause
2 the public universities listed in ORS 352.002 to owe the General Fund more
3 than \$6 million at any one time under ORS 351.692, 351.695 and 351.697.

4 “(10) If state bonds are issued for the benefit of a university with a gov-
5 erning board, the university shall have the powers and duties of a related
6 agency as defined in ORS 286A.001 to the extent necessary for the issuance
7 of such state bonds and the administration of the proceeds of the state bonds.

8 “(11) Nothing in this section may be construed so that statutory pro-
9 visions that are not set forth in this section apply to a university with a
10 governing board.

11

12

“DEPARTMENT OF EDUCATION

13

14 **“SECTION 81. If House Bill 2747 becomes law:**

15 **“(1) Notwithstanding ORS 327.008 and 327.013, for the biennium be-**
16 **ginning July 1, 2013, the Department of Education may expend up to**
17 **\$500,000 from the State School Fund for the purposes of this section.**

18 **“(2) The department shall distribute moneys authorized to be ex-**
19 **pended under this section to a school district to which section 8,**
20 **chapter __, Oregon Laws 2013 (Enrolled House Bill 2747), applies for**
21 **approved costs incurred by the school district during the 2013-2014**
22 **school year for providing educational services, including special edu-**
23 **cation and related costs, to students who, notwithstanding section 8,**
24 **chapter __, Oregon Laws 2013 (Enrolled House Bill 2747), are not con-**
25 **sidered residents of the school district under ORS 339.133 and 339.134**
26 **and who are admitted to a long term care facility or a skilled nursing**
27 **facility.**

28 **“(3) The amount of moneys received by a school district under this**
29 **section may not exceed the approved costs incurred by the school dis-**
30 **trict as described in ORS 327.348 and determined by the department,**

1 less two times the amount of the district's General Purpose Grant per
2 ADMw as calculated under ORS 327.013, and any amount received by
3 the school district for the student from:

4 “(a) The High Cost Disabilities Account; and

5 “(b) Federal funds.

6 “(4) Amounts received by a school district under this section are
7 considered approved costs for the purpose of determining whether a
8 school district qualified to receive a high cost disabilities grant from
9 the High Cost Disabilities Account established by ORS 327.348.

10 **“SECTION 82. (1) The Department of Education shall make grants**
11 **to improve student achievement in schools that:**

12 “(a) Serve students in any grade from kindergarten through grade
13 eight; and

14 “(b) Are in the bottom five percent of schools that are considered
15 high poverty under Title I of the federal Elementary and Secondary
16 Education Act of 1965, as determined based on a rating system used
17 by the department.

18 “(2) Moneys received under this section by a school described in
19 subsection (1) of this section must be used to hire at least one licensed
20 teacher for a full-time equivalent position at the school.

21 “(3) Grants made under this section may be made only to a school
22 for a school year in which the school did not receive any School Im-
23 provement Grant moneys under the federal Elementary and Secondary
24 Education Act of 1965.

25 “(4) The department shall award grants under this section to at
26 least two schools from each congressional district. Criteria used in the
27 awarding of the grants may include measures of income of the per-
28 centage of students who attend the school who are from families in
29 poverty, instructional support needs and levels of academic perform-
30 ance.

1 “(5) Any recipient of moneys distributed as a grant under this sec-
2 tion must provide separate accounting for the moneys and may use the
3 moneys only for the purpose for which the moneys are provided.

4 “SECTION 83. Section 82 of this 2013 Act is repealed on June 30,
5 2015.

6
7 “DEPARTMENT OF TRANSPORTATION
8

9 “SECTION 84. (1) Notwithstanding section 7, chapter 55, Oregon
10 Laws 2012, and section 2 (6), chapter 542, Oregon Laws 2011, in addition
11 to and not in lieu of any other allocation, moneys described in section
12 7 (2), chapter 55, Oregon Laws 2012, that remain unspent or have not
13 been allocated on July 1, 2013, shall be retained by the Department of
14 Transportation and shall be allocated, for the biennium beginning July
15 1, 2013, as described in subsections (2) to (4) of this section.

16 “(2) There is allocated to Multnomah County the amount of
17 \$650,000, which may be expended for project development of the
18 Cornelius Pass Road project.

19 “(3) There is allocated to the City of Portland the amount of
20 \$3,600,000, which may be expended for project development and con-
21 struction of sidewalks and other pedestrian facilities on Southeast
22 136th Avenue from Southeast Division Street to Southeast Foster
23 Road.

24 “(4) There is allocated to the Department of Transportation the
25 amount of \$4,900,000, which may be expended for project development
26 of the Outer Powell Boulevard project in Multnomah County.

27 “(5) Notwithstanding subsections (1) to (4) of this section, the Leg-
28 islative Assembly intends to provide to Multnomah County additional
29 allocation of moneys in the amount of \$8,500,000, as originally con-
30 templated in section 7, chapter 55, Oregon Laws 2012, for expenditure

1 for additional project development and construction of Cornelius Pass
2 Road.

3 **“SECTION 85.** In addition to and not in lieu of any other allocation,
4 there is allocated to Washington County, for the biennium beginning
5 July 1, 2013, out of moneys described in section 3 (11), chapter 556,
6 Oregon Laws 2013 (Enrolled Senate Bill 5544), the amount of \$1,500,000,
7 which may be expended for the Westside Transportation Solutions
8 Study.

9

10 **“REVERSION OF LOTTERY ALLOCATIONS**

11

12 **“SECTION 86.** (1) On December 31 in each odd-numbered year, all
13 amounts remaining unspent by a state agency from statutory allo-
14 cations made from the Administrative Services Economic Develop-
15 ment Fund to that agency for the prior biennium shall revert to the
16 Administrative Services Economic Development Fund.

17 **“(2)** Subsection (1) of this section does not apply to allocations for
18 capital construction, continuing contracts, contested claims or special
19 allocations designated by legislative action.

20 **“SECTION 87.** Section 86 of this 2013 Act applies to statutory allo-
21 cations remaining unspent on or after December 31, 2015.

22

23 **“AUDIT REPORTS**

24

25 **“SECTION 88.** ORS 297.075 is repealed.

26

27 **“STATE LAND BOARD**

28

29 **“SECTION 89.** If House Bill 2506 and House Bill 3233 become law,
30 and notwithstanding ORS 327.008 and 327.013, for the biennium begin-

1 ning July 1, 2013, if the State Land Board increases distributions for
2 the 2013-2015 biennium from the Common School Fund by an amount
3 exceeding the standard distribution of Common School Fund earnings
4 per board policy adopted April 14, 2009, and the Superintendent of
5 Public Instruction receives a transfer in this amount pursuant to ORS
6 327.410, then the Department of Education may transfer up to \$12
7 million from the State School Fund during the biennium beginning
8 July 1, 2013, to the Network of Quality Teaching and Learning Fund
9 established by section 11, chapter 577, Oregon Laws 2013 (Enrolled
10 House Bill 2506).

11 **“SECTION 90. Section 89 of this 2013 Act is repealed on June 30,**
12 **2015.**

13

14

“MISCELLANEOUS

15

16 **“SECTION 91. The unit captions used in this 2013 Act are provided**
17 **only for the convenience of the reader and do not become part of the**
18 **statutory law of this state or express any legislative intent in the**
19 **enactment of this 2013 Act.**

20

21

“EMERGENCY CLAUSE

22

23 **“SECTION 92. This 2013 Act being necessary for the immediate**
24 **preservation of the public peace, health and safety, an emergency is**
25 **declared to exist, and this 2013 Act takes effect on its passage.”.**

26