

Enrolled
House Bill 2322

Sponsored by Representative BUCKLEY (Presession filed.)

CHAPTER

AN ACT

Relating to state financial administration; creating new provisions; amending ORS 1.002, 7.124, 7.240, 19.250, 19.365, 19.370, 21.345, 182.454, 184.486, 250.137, 250.139, 250.147, 250.149, 251.185, 285C.615, 285C.635, 285C.639, 286A.806, 291.272, 291.278, 292.311, 292.406, 292.411, 292.416, 292.426, 293.812, 316.502, 323.455, 323.625, 328.331, 328.346, 401.536, 443.733, 565.021 and 565.445 and sections 8b and 9e, chapter 877, Oregon Laws 2007, section 11, chapter 365, Oregon Laws 2011, sections 1, 7 and 8, chapter 604, Oregon Laws 2011, section 16, chapter ____, Oregon Laws 2013 (Enrolled Senate Bill 270), and section 2, chapter ____, Oregon Laws 2013 (Enrolled House Bill 3458); repealing ORS 250.137, 250.139, 250.141, 250.143, 250.146, 250.147, 250.149, 293.814, 293.815, 293.816, 293.817, 297.075, 396.350, 396.366, 396.370, 399.095, 461.558, 565.405, 565.410, 565.415, 565.420, 565.435, 565.440, 565.442, 565.443, 565.449 and 565.450 and sections 3 and 11, chapter 365, Oregon Laws 2011; and declaring an emergency.

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

DEPARTMENT OF REVENUE

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

SECTION 2. ORS 323.455 is amended to read:

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

(2) The moneys so appropriated to cities and counties shall be paid on a monthly basis within 35 days after the end of the month for which a distribution is made. Each city shall receive such share of the money appropriated to all cities as its population, as determined under ORS 190.510 to 190.590 last preceding such apportionment, bears to the total population of the cities of the state,

and each county shall receive such share of the money as its population, determined under ORS 190.510 to 190.590 last preceding such apportionment, bears to the total population of the state.

(3) The moneys appropriated to the Department of Transportation under subsection (1) of this section shall be distributed and transferred to the Elderly and Disabled Special Transportation Fund established by ORS 391.800 at the same time as the cigarette tax moneys are distributed to cities and counties under this section.

(4) Of the moneys credited to the General Fund under this section 51.92 percent shall be dedicated to funding the maintenance and expansion of the number of persons eligible for the medical assistance program under ORS chapter 414, or to funding the maintenance of the benefits available under the program, or both, and 5.77 percent shall be credited to the Tobacco Use Reduction Account established under ORS 431.832.

SECTION 3. ORS 323.625 is amended to read:

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

OREGON GOVERNMENT ETHICS COMMISSION

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

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

SECTION 5. Section 9e, chapter 877, Oregon Laws 2007, as amended by section 25, chapter 68, Oregon Laws 2009, and section 79, chapter 630, Oregon Laws 2011, is amended to read:

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

MILITARY DEPARTMENT REVOLVING FUND

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

ASSESSMENT DEFERRAL LOAN PROGRAM REVOLVING FUND

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

COUNTY FAIR COMMISSION

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

SECTION 9. ORS 565.021 is amended to read:

565.021. (1) The State Parks and Recreation Director shall appoint a State Fair Advisory Committee to provide advice and assistance to the director on matters regarding the operation of the Oregon State Fair.

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

(a) A resident from each congressional district of Oregon. The director shall seek to ensure that those persons reflect a broad-based representation of the industrial, educational and cultural interests active in state fair activities, such as agricultural, stock raising, horticultural, mining, mechanical, artistic and industrial pursuits.

(b) Two persons to represent county fair interests. [*The director may give consideration to nominations suggested by the County Fair Commission established under ORS 565.410.*]

(3) The members of the advisory committee serve at the pleasure of the director. The director may fill a vacancy on the advisory committee by appointing a person to fill the unexpired term.

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

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

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

SECTION 10. ORS 565.445 is amended to read:

565.445. (1) The County Fair Account is established separate and distinct from the General Fund. All moneys in the account are continuously appropriated to the [*County Fair Commission*] **Oregon Department of Administrative Services.**

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

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

CITIZENS' INITIATIVE REVIEW COMMISSION

SECTION 11. ORS 182.454 is amended to read:

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

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

(12) The Citizens' Initiative Review Commission.

SECTION 12. ORS 250.137 is amended to read:

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

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

(A) One member recommended by the leadership of the Democratic party in the Senate and one member recommended by the leadership of the Republican party in the Senate.

(B) Except as provided in subparagraph (C) of this paragraph, one member recommended by the leadership of the political party with the largest representation in the Senate that is not the same party as the Governor.

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

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

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

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

(3) The commission shall:

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

(b) Adopt rules necessary to carry out the commission's duties under ORS 250.137 to 250.149.

SECTION 13. ORS 250.146 is repealed.

SECTION 14. Any moneys remaining in the Citizens' Initiative Review Fund on the effective date of this 2013 Act shall be transferred to the account established by the Citizens' Initiative Review Commission as required by ORS 182.470.

SECTION 15. ORS 250.139 is amended to read:

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

(2) In selecting a measure to be reviewed by a citizen panel, the commission shall consider the following criteria:

(a) The fiscal impact of a measure.

(b) Whether the measure amends the Oregon Constitution.

(c) The availability of funds to conduct reviews.

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

(3) Each citizen panel shall evaluate and write statements for the measure considered by the panel.

(4)(a) The commission shall select citizens for each panel from a representative sample of anonymous electors, using survey sampling methods that, to the extent practicable, give every elector a similar chance of being selected. Each citizen panel shall consist of not fewer than 18 and not more than 24 electors.

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

(A) The location of the elector's residence.

(B) The elector's party affiliation, if any.

(C) The elector's voting history.

(D) The elector's age.

(c) In addition to the criteria described in paragraph (b) of this subsection, the commission may also consider:

(A) The elector's gender.

(B) The elector's ethnicity.

(C) Any other criteria.

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

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

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

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

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

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

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

(c) The chief petitioners of the measure shall designate two persons to provide information in favor of the measure to the citizen panel. If the chief petitioners fail to timely designate two persons to appear before the panel, the commission may designate two persons who support the measure to provide information in favor of the measure.

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

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

(7) The commission shall provide each panel with any complaints regarding the panel not later than the fourth day the panel convenes.

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

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

SECTION 16. ORS 250.147 is amended to read:

250.147. (1) Except as otherwise provided in this section, the Citizens' Initiative Review Commission may accept contributions of moneys and assistance from the United States Government or its agencies or from any other source, public or private, and agree to conditions placed on the moneys not inconsistent with the duties of the commission. All moneys received by the commission under this subsection shall be deposited into the [*Citizens' Initiative Review Fund established under ORS 250.146*] **account established under ORS 182.470**.

(2) The commission may not receive contributions of moneys or assistance from:

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

(b) For-profit corporate treasuries;

(c) Union treasuries; or

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

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

(a) The name and address of the person or entity who made the contribution; and

(b) The amount of the contribution.

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

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

SECTION 17. ORS 250.149 is amended to read:

250.149. (1) Not later than the date that is four months before the date of the general election in an even-numbered year, the Citizens' Initiative Review Commission shall determine whether

moneys in sufficient amount are available in the [*Citizens' Initiative Review Fund*] **account established under ORS 182.470** to carry out all the duties, functions and powers of the commission, implement ORS 250.139 to 250.143 and pay for any statements to be printed in the voters' pamphlet under ORS 251.185.

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

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

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

Sec. 11. (1) Any expenses incurred in the initial appointment and organization of the Citizens' Initiative Review Commission under section 3 [*of this 2011 Act*], **chapter 365, Oregon Laws 2011**, shall be paid by the Oregon Department of Administrative Services from moneys appropriated to the department.

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

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

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

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

[*(12) The Citizens' Initiative Review Commission.*]

SECTION 20. ORS 251.185 is amended to read:

251.185. (1) The Secretary of State shall have printed in the voters' pamphlet for a general election or any special election a copy of the title and text of each state measure to be submitted to the people at the election for which the pamphlet was prepared. The pamphlet must include the procedures for filing a complaint under ORS 260.345. Each measure shall be printed in the pamphlet with:

- (a) The number and ballot title of the measure;
- (b) The financial estimates and any statement prepared for the measure under ORS 250.125;
- (c) The explanatory statement prepared for the measure; **and**
- (d) Arguments relating to the measure and filed with the Secretary of State.]; *and*]
- [*(e) Any statement submitted for the measure by a citizen panel under ORS 250.141.*]

(2) A county measure or measure of a metropolitan service district organized under ORS chapter 268, and ballot title, explanatory statement and arguments relating to the measure, filed by the county or metropolitan service district under ORS 251.285 shall be included in the voters' pamphlet described in subsection (1) of this section if required under ORS 251.067.

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

(2) Section 11, chapter 365, Oregon Laws 2011, as amended by section 18 of this 2013 Act, is repealed.

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

HUMAN SERVICES

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

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

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

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

[(3) Determine the selection and placement in the job opportunity and basic skills program activities of existing and future applicants and recipients of aid based on the results of the employability assessment or other criteria.]

(3) Limit in the job opportunity and basic skills program, for existing and future applicants and recipients of aid, based on the results of the employability assessment or other criteria:

(a) The number of participants;

(b) The activities; or

(c) The level of participation.

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

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

(6) Deny or terminate aid to a family in which a caretaker relative is separated from employment without good cause, subject to exceptions prescribed by the department by rule. The family shall be ineligible to receive aid for a period of 120 days beginning on the date the caretaker relative is separated from employment without good cause.

(7) Establish an income eligibility limit equal to 185 percent of the federal poverty guidelines for aid to a dependent child residing with a caretaker relative who is not the child's parent.

[(8) Deny employment-related day care assistance to a parent who is self-employed.]

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

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

Sec. 7. (1) The amendments to ORS 412.009, 412.014 and 412.024 by sections 2, 3 and 5 [of this 2011 Act], **chapter 604, Oregon Laws 2011**, become operative on October 1, 2011.

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

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

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

SECTION 26. Notwithstanding ORS 412.124, for the biennium beginning July 1, 2013, the Department of Human Services may not provide aid described in ORS 412.124.

TRANSPARENCY OREGON ADVISORY COMMISSION

SECTION 27. ORS 184.486 is amended to read:

184.486. (1) There is created the Transparency Oregon Advisory Commission consisting of nine members appointed as follows:

(a) The President of the Senate shall appoint two members from among members of the Senate, one from the majority party and one from the minority party.

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

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

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

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

(f) The President of the Senate and the Speaker of the House of Representatives shall each appoint one member of the public with experience or interest in public finance, public relations, measurement of performance outcomes or technology.

(2) The commission shall advise and make recommendations to the Oregon Department of Administrative Services regarding the creation, contents and operation of, and enhancements to, the Oregon transparency website.

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

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

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

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

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

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

(9) The commission shall use the services of permanent staff of the Legislative Fiscal Office to the greatest extent practicable to staff the commission. The Oregon Department of Administrative Services may provide additional assistance.

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

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

(12) All agencies of state government, as defined in ORS 174.111, are directed to assist the commission in the performance of its duties and, to the extent permitted by laws relating to confidentiality, to furnish such information and advice as the members of the commission consider necessary to perform their duties.

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

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

(b) Possible future enhancements to the website, including but not limited to the inclusion of information relating to:

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

(B) State agency bond debt;

(C) State agency expenses for capital improvements;

(D) Numbers and descriptions of jobs created through state agency contracts and subcontracts;

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

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

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

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

(14) The term of office of each member is four years, but a member serves at the pleasure of the appointing authority. Before the expiration of the term of a member, the appointing authority shall appoint a successor whose term begins on January 1 next following. A member is eligible for reappointment. If there is a vacancy for any cause, the appointing authority shall make an appointment to become immediately effective for the unexpired term.

OREGON SCHOOL FOR THE DEAF

SECTION 28. (1) The Oregon Department of Administrative Services and the Department of Education shall study whether a lease or sale of a portion of the real property owned by the Department of Education known as the Oregon School for the Deaf would benefit the school. The study must determine the fair market value of a lease or sale of a portion of the real property and how the proceeds from a lease or sale transaction would benefit the school.

(2) If, based on the study under subsection (1) of this section, the Superintendent of Public Instruction determines that the lease or sale of a portion of the real property would benefit the school, the superintendent may order a change in the purpose and use of the real property under ORS 346.010 and may lease or sell a portion of the real property. The proceeds of the lease or sale must benefit the school.

(3) If the superintendent orders a change in the purpose and use of the real property that requires a sale of the real property described in the order, the Oregon Department of Administrative Services, in consultation with the Department of Education, shall develop a plan for the sale of the real property. The Oregon Department of Administrative Services shall present the plan at a meeting of the Capitol Planning Commission. The commission shall provide an opportunity for public review of and comment on the plan at that meeting.

(4) Notwithstanding ORS 270.100 to 270.190, the Oregon Department of Administrative Services shall sell the real property described in the order of the superintendent in a manner consistent with this section. The Oregon Department of Administrative Services may engage the services of a licensed real estate broker or principal real estate broker to facilitate the sale of the real property.

(5) The Oregon Department of Administrative Services shall determine the sale price of the real property described in the order of the superintendent. The sale price must equal or exceed the fair market value of the real property.

(6)(a) The Oregon Department of Administrative Services shall retain from the sale of the real property the costs incurred by the state in selling the real property, including the costs incurred by the Department of Education and the Oregon Department of Administrative Services in transferring the real property.

(b) The Oregon Department of Administrative Services and the Department of Education shall be reimbursed for any costs described in paragraph (a) of this subsection from the amount retained as provided by paragraph (a) of this subsection.

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

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

OREGON LIQUOR CONTROL COMMISSION

SECTION 29. For the biennium beginning July 1, 2013, notwithstanding ORS 471.810, amounts to be distributed from the Oregon Liquor Control Commission Account that are attributable to a per bottle surcharge imposed by the Oregon Liquor Control Commission on June 6, 2013, shall be credited to the General Fund.

EMPLOYMENT DEPARTMENT

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

HOUSING AND COMMUNITY SERVICES

SECTION 31. Notwithstanding ORS 456.587 (1), the amount of \$4.8 million is transferred from the Housing and Community Services Department Electricity Public Purpose Charge Fund to the Clean Energy Deployment Fund established in ORS 470.800 for coordination of home energy efficiency assessments, financing and contracting activities pursuant to the Governor's 10-year energy action plan.

OREGON HEALTH AUTHORITY PROGRAM

SECTION 32. If House Bill 3458 becomes law, section 2, chapter ___, Oregon Laws 2013 (Enrolled House Bill 3458), is amended to read:

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

(a) "Health benefit plan" has the meaning given that term in ORS 743.730.

(b) "Insurer" means an insurer described in ORS 735.605 (4)(a), (b) and (d).

(c) "Program" means the Oregon Reinsurance Program established in section 1, **chapter ___, Oregon Laws 2013 (Enrolled House Bill 3458)**, [of this 2013 Act].

(d) "Reinsurance eligible health benefit plan" means a health benefit plan providing individual coverage that:

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

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

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

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

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

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

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

[C] **(D) On December 31, 2013,** reinsured under the reinsurance program for children's coverage described in ORS 735.614 (1)(b).

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

- (a) Premium rates under 42 U.S.C. 300gg;
- (b) Guaranteed availability under 42 U.S.C. 300gg-1;
- (c) Guaranteed renewability under 42 U.S.C. 300gg-2;
- (d) Coverage of essential health benefits under 42 U.S.C. 18022; and
- (e) Using a single risk pool under 42 U.S.C. 18032(c).

(3) An issuer of a reinsurance eligible health benefit plan becomes eligible for a reinsurance payment when the claims costs for a reinsurance eligible individual's covered benefits in a calendar year exceed the attachment point. The amount of the payment shall be the product of the coinsurance rate and the issuer's claims costs for the reinsurance eligible individual's claims costs that exceed the attachment point, up to the reinsurance cap, as follows:

(a) For 2014:

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

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

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

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

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

(b) The board may lower the coinsurance rate if the reinsurance claims incurred exceed the total amount of the assessments collected under subsection (4) of this section.

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

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

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

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

(a) An amount per month multiplied by the number of insureds and certificate holders in this state who are insured or reinsured; or

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

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

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

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

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

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

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

(b) Medicare;

(c) Disability income insurance;

- (d) Hospital-only insurance;
- (e) Dental-only insurance;
- (f) Vision-only insurance;
- (g) Accident-only insurance;
- (h) Automobile insurance;
- (i) Specific disease insurance;
- (j) Medical supplemental plans;
- (k) TRICARE;
- (L) Prescription drug only plans;
- (m) Long term care insurance; and
- (n) Federal Employees Health Benefits Program.

(7) If the board collects assessments that exceed the amount necessary to pay administrative expenses and to make all of the reinsurance payments that are due to issuers of reinsurance eligible health benefit plans in calendar years 2014, 2015 and 2016, the board shall refund the excess, on a pro rata basis, to insurers who are subject to the assessment imposed by subsection (4) of this section.

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

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

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

- (a) The eligibility requirements for participation in the program by an issuer of a reinsurance eligible health benefit plan;
- (b) The form and manner of issuing notices of assessment amounts;
- (c) The amount, manner and frequency of the payment and collection of assessments;
- (d) The amount, manner and frequency of reinsurance payments; and
- (e) Reporting requirements for insurers subject to the assessment and for issuers of reinsurance eligible health benefit plans.

SECTION 32a. ORS 443.733 is amended to read:

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

- (a) Who is a resident manager of an adult foster home who does not provide adult foster care home services in the resident manager’s own home or who does not have a controlling interest in, or is not an officer or partner in, the entity that is the provider of adult foster care home services;
- (b) Who is not a natural person; or
- (c) Whose participation in collective bargaining is determined by the licensing agency to be inconsistent with this section or in violation of state or federal law.

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

(3) Notwithstanding ORS 243.650 (19), adult foster care home providers are considered to be public employees governed by ORS 243.650 to 243.782. Adult foster care home providers have the right to form, join and participate in the activities of labor organizations of their own choosing for the purposes of representation and collective bargaining on matters concerning labor relations. Mandatory subjects of collective bargaining include but are not limited to provider base rates and add-on payments. These rights shall be exercised in accordance with the rights granted to public employees, with mediation and interest arbitration under ORS 243.742 as the method of concluding the collective bargaining process. Adult foster care home providers may not strike.

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

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

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

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

PUBLIC BODY INSURANCE

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

DEPARTMENT OF JUSTICE

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

OREGON LOCAL DISASTER ASSISTANCE LOAN AND GRANT ACCOUNT

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

401.536. (1) The Oregon Local Disaster Assistance Loan and Grant Account is established as an account in the Oregon Disaster Response Fund. The account consists of moneys appropriated by the Legislative Assembly and any other moneys deposited into the account pursuant to law.

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

(a) Providing loans to local governments, as defined in ORS 174.116, and school districts to match, either in full or in part, moneys from federal programs for federally declared disaster relief that require a match;

(b) Providing loans and grants to local governments, as defined in ORS 174.116, and school districts, for the purpose of paying costs incurred by local governments and school districts in response to federally declared disasters; *[and]*

(c) Providing loans and grants to local governments, as defined in ORS 174.116, and school districts for the purposes of paying costs incurred by local governments and school districts in response to disasters that are not federally declared disasters, as determined by the Legislative Assembly, if all loans and grants provided under paragraphs (a) and (b) of this subsection have been repaid, fulfilled or otherwise satisfied and moneys remain in the account; and

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

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

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

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

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

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

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

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

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

(8) The review board shall include:

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

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

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

(d) A representative of the Oregon Military Department;

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

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

(g) A representative of the Oregon Department of Administrative Services; and

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

(9) The Office of Emergency Management of the Oregon Military Department shall adopt rules establishing:

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

(b) Reasonable financial terms and conditions for loans under subsection (2)(a) of this section, including interest and the repayment of the loans;

(c) Eligibility requirements for applicants for loans under subsection (2)(a) of this section;

(d) The maximum amount an applicant for a loan under subsection (2)(a) of this section may receive;

(e) The methodology the department will use for charging the account for administrative expenses; and

(f) Procedures for submission of recommendations to the review board for loans under subsection (2)(a) of this section.

(10) The Oregon Military Department shall provide staff support for the review board.

QUALITY CARE FUND

SECTION 36. Notwithstanding ORS 443.001, for the biennium beginning July 1, 2013, the Department of Human Services may spend moneys in the Quality Care Fund for program operating expenses of the department related to:

- (1) Long term care facilities as defined in ORS 442.015;
- (2) Residential facilities as defined in ORS 443.400, including but not limited to assisted living facilities; and
- (3) Adult foster homes as defined in ORS 443.705.

SCHOOL CAPITAL MATCHING FUND

SECTION 37. ORS 461.558 is repealed.

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

286A.806. Pursuant to section 4, Article XI-P of the Oregon Constitution, the School Capital Matching Fund is established in the State Treasury, separate and distinct from the General Fund. Amounts in the School Capital Matching Fund may be invested as provided in ORS 286A.025 (2)(g), and interest earned on moneys in the fund must be credited to the fund. The School Capital Matching Fund consists of net proceeds of Article XI-P bonds issued under ORS 286A.796 to 286A.806, moneys from the repayment of loans by school districts[, *moneys transferred to the fund pursuant to ORS 461.558*] and other moneys made available by the Legislative Assembly for purposes described in ORS 286A.798 (1) and the budget authorization for bond issuance established under ORS 286A.035 for the Department of Education. Moneys in the fund are continuously appropriated to the Department of Education for the purposes described in ORS 286A.798 (1) and the budget authorization.

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

SECRETARY OF STATE

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

JUDICIAL SALARIES

SECTION 41. ORS 292.406 is amended to read:

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

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

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

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

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

SECTION 42. ORS 292.411 is amended to read:

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

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

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

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

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

SECTION 43. ORS 292.416 is amended to read:

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

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

292.416. The annual salary of each judge of a circuit court shall be [~~\$119,468~~] **\$124,468** for the year beginning [~~January 1, 2014~~] **January 1, 2015**, and for each year thereafter.

SECTION 44. ORS 292.426 is amended to read:

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

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

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

STATEWIDE ELECTED OFFICIAL SALARIES

SECTION 45. ORS 292.311 is amended to read:

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

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

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

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

(4) Attorney General, [~~\$77,200~~] **\$82,200** for the year beginning [~~July 1, 2009~~] **January 1, 2014**, and for each year thereafter. The Attorney General shall also be paid \$250 per month regularly for expenses necessarily incurred but not otherwise provided for.

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

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

(2) **The amendments to ORS 292.406, 292.411, 292.416 and 292.426 by sections 41a, 42a, 43a and 44a of this 2013 Act become operative January 1, 2015.**

GOVERNMENTAL SERVICE EXPENSES

SECTION 46. ORS 291.272 is amended to read:

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

(1) "Administrative expenses" has the meaning defined by ORS 291.305.

(2) "Department" means the Oregon Department of Administrative Services.

(3) "Governmental service expenses" means the expenses of state government that are attributable to the operation, maintenance, administration and support of state government generally, and includes the following:

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

(b) Sixty percent of the expenditures of the Legislative Assembly out of moneys appropriated from the General Fund, and all of the expenditures incurred in the administration of the duties of the Emergency Board.

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

(d) Sixty percent of the expenditures incurred out of moneys appropriated from the General Fund in the administration of the duties of the Legislative Counsel Committee.

[(e) Expenditures of the Secretary of State in the administration of the office of the State Archivist, of historic properties programs, and of the administrative rules publication program.]

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

(4) "State agency" means every state officer, board, commission, department, institution, branch or agency of the state government, whose costs are paid wholly or in part from funds held in the State Treasury, and includes the Legislative Assembly, the courts and their officers and committees.

SECTION 47. ORS 291.278 is amended to read:

291.278. (1) Upon completion of the determination by the Oregon Department of Administrative Services under ORS 291.274 and 291.276, the department shall:

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

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

(2) In the case of a state agency that collects or receives moneys for fees, fines, licenses or taxes not by law made a part of the General Fund available for general governmental purposes, if moneys available to such state agency are not sufficient to permit the *[transfer]* **transfers** under subsection (1) of this section, the department shall notify the state agency of the amount certified with respect to the state agency under ORS 291.274 and 291.276, less any amount transferred out of moneys appropriated to such state agency under subsection (1) of this section. Thereafter, until such balance has been paid into the General Fund, 10 percent of all moneys collected or received by the state agency for fees, fines, licenses or taxes not by law made a part of the General Fund available for general governmental purposes shall be:

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

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

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

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

SHARED SERVICES FUND

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

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

285C.635. (1) Upon receipt of information compiled under ORS 285C.615, the Oregon Department of Administrative Services shall determine the annual amount of personal income tax revenue attributable to each eligible project for which an eligible business firm received a property tax exemption under ORS 307.123.

(2) In determining the amount of personal income tax revenue attributable to each eligible project, the **Oregon Department of Administrative Services** may rely on reasonable techniques of estimation, if appropriate.

(3) Not later than May 15 of each fiscal year, the Oregon Department of Administrative Services shall certify the amounts determined under subsection (1) of this section to the Department of Revenue, the Legislative Revenue Officer and the Legislative Fiscal Officer.

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

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

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

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

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

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

(b) Interest earnings on moneys in the fund.

(2) All moneys in the Shared Services Fund are continuously appropriated to the Oregon Department of Administrative Services[,] for the purpose of making distributions described in subsection (3) of this section.

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

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

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

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

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

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

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

(a) The assessed value and location of taxable and exempt property constituting the eligible project and the corresponding payment and savings of property taxes for the tax year, as ascertained from the county assessor;

(b) The amount and disposition of fees and other amounts paid by the business firm pursuant to the agreement with the county under ORS 285C.609 in the immediately preceding calendar year;

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

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

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

(f) Any other information required by the department.

(3) If a business firm fails to provide a report required under this section or to verify information as requested by the **Oregon Business Development** Department, the Oregon Business Development Commission, upon recommendation by the department, may suspend the determination of the commission that the project receive the tax exemption provided for in ORS 307.123. If the commission suspends the determination of eligibility under this subsection, the exemption is revoked as provided in ORS 307.123 (6), until the department receives the report. Upon receipt of a report required under this section or the information requested by the department, the department shall notify the commission and the commission shall rescind the suspension.

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

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

(6) [*Within 60 days of*] **After** receiving the reports required under this section, the **Oregon Business Development** Department shall compile and organize the reported information for purposes of ORS 285C.635 and transmit it to the Oregon Department of Administrative Services. **The Oregon Business Development Department shall transmit the information not later than April 15.**

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

SECTION 53. ORS 316.502 is amended to read:

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

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

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

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

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

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

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

(b) Not later than September 1, 2013, the Oregon Department of Administrative Services shall distribute to counties for distribution to taxing districts the moneys from the Shared Services Fund.

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

JUDICIAL DEPARTMENT

SECTION 55. ORS 1.002 is amended to read:

1.002. (1) The Supreme Court is the highest judicial tribunal of the judicial department of government in this state. The Chief Justice of the Supreme Court is the presiding judge of the court and the administrative head of the judicial department of government in this state. The Chief Justice shall exercise administrative authority and supervision over the courts of this state consistent with applicable provisions of law and the Oregon Rules of Civil Procedure. The Chief Justice, to facilitate exercise of that administrative authority and supervision, may:

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

(b) Require appropriate reports from the judges, other officers and employees of the courts of this state and municipal courts.

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

(d) Set staffing levels for all courts of the state operating under the Judicial Department and for all operations in the Judicial Department.

(e) Establish time standards for disposition of cases.

(f) Establish budgets for the Judicial Department and all courts operating under the Judicial Department.

(g) Assign or reassign all court staff of courts operating under the Judicial Department.

(h) Pursuant to policies approved by the Judicial Conference of the State of Oregon, establish personnel rules and policies for judges of courts operating under the Judicial Department.

(i) Establish procedures for closing courts in emergencies.

(j) Establish standards for determining when courts are closed for purposes of ORCP 10, ORS 174.120 and other rules and laws that refer to periods of time when courts are closed.

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

(2) The Chief Justice may make rules for the use of electronic applications in the courts, including but not limited to rules relating to **any of the following**:

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

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

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

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

(B) Maintained under ORS 7.095; or

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

(d) The use of electronic transmission for:

(A) [The service of] Serving documents in [a] **an action or proceeding**, other than [service of] a summons or [service of] an initial complaint or petition;

(B) Filing documents with a court;

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

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

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

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

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

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

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

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

(4) Rules adopted by the Chief Justice under subsection (2) of this section must be consistent with the laws governing courts and court procedures, but any person who serves, delivers, receives, files, enters or retains an electronic document, or an electronic image of a paper document in lieu of the original paper copy, in the manner provided by a rule of the Chief Justice under subsection (2) of this section shall be considered to have complied with any rule or law governing service, delivery, reception, filing, entry or retention of a paper document.

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

(6) The Chief Justice may establish fees for the use of the Oregon Judicial Information Network.

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

(8) The Chief Judge of the Court of Appeals and the presiding judge of each judicial district of this state are the administrative heads of their respective courts. They are responsible and accountable to the Chief Justice of the Supreme Court in the exercise of their administrative authority and supervision over their respective courts. Other judges of the Court of Appeals or court under a presiding judge are responsible and accountable to the Chief Judge or presiding judge, and to the Chief Justice, in respect to exercise by the Chief Justice, Chief Judge or presiding judge of administrative authority and supervision.

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

(10) This section applies to justices of the peace and the justice courts of this state solely for the purpose of disciplining of justices of the peace and for the purpose of continuing legal education of justices of the peace.

SECTION 56. ORS 7.240 is amended to read:

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

(1) For probate matters in state courts, the clerk or court administrator shall enter and record the proceedings in the register described in ORS 7.020.

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

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

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

SECTION 57. ORS 7.124 is amended to read:

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

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

(a) A [certification] **statement** that the copy is a correct copy of the original, or of a specified part of the original **document or group of documents; and**

(b) The date on which the copy **of the document or group of documents** was made; and].

[(c) A certification that the copy was made under the trial court administrator's direction and control.]

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

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

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

SECTION 58. ORS 19.250 is amended to read:

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

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

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

[(c) A notice to all parties or their attorneys as have appeared in the action or proceedings that an appeal is taken from the judgment or some specified part thereof and designating who are the adverse parties to the appeal.]

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

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

(d) A notice to each party that appeared in the action or proceeding, or to the attorney for the party, that an appeal is taken from the judgment or some specified part of the judgment and designating the adverse parties to the appeal. The notice of appeal must contain

the postal address and electronic mail address, if known to the appellant, for all other parties designated as parties to the appeal.

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

[(e)] (f) A plain and concise statement of the points on which the appellant intends to rely. On appeal, the appellant may rely on no other points than those set forth in such statement. If the appellant has designated for inclusion in the record all the testimony and all the instructions given and requested, no statement of points is necessary. Not later than the 15th day following the filing of the **certificate of preparation for the transcript under ORS 19.370 (3)**, the appellant may serve and file an amended statement of points. Except by approval of the court, the appellant may then rely on no other points than those set forth in such amended statement.

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

(2) Within 14 days after the filing of the notice of appeal or *[notice of]* amended designation of record, any other party may serve and file a designation of additional parts of the proceedings and exhibits to be included in the record. Such designation *[shall]* **must** be served and filed as provided for the serving and filing of a notice of appeal under ORS 19.240 and 19.260. If such party also appeals, the designation *[shall]* **must** be included in the notice of appeal of the party and *[shall]* **may** not be served and filed separately.

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

SECTION 59. ORS 19.365 is amended to read:

19.365. (1) The record of the case *[shall]* **must** be prepared and transmitted to the court to which the appeal is made in the manner provided in this chapter.

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

(3) *[The trial court administrator shall, upon request of the State Court Administrator, deliver the record of the case to the appellate court.]* **The trial court administrator shall make the trial court record available to the State Court Administrator in the manner specified by rules of the appellate court.**

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

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

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

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

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

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

[(3) *If an appeal is referred to the appellate settlement program established by the Court of Appeals pursuant to ORS 2.560, the transcript must be filed within 30 days after expiration of the period of time specified in the rules during which the appeal is held in abeyance, or within 30 days after the court directs that the appeal no longer be held in abeyance, whichever occurs first.*]

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

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

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

[(7) *Upon the denial of a motion to correct or add to the transcript under subsection (5) of this section, or upon the making of such corrections or additions as may be ordered, whichever last occurs, the trial court shall enter an order settling the transcript and send copies thereof to each of the parties or their attorneys and to the State Court Administrator. In the absence of a motion to correct or add to the transcript, the transcript shall be deemed automatically settled 15 days after it is filed.*]

(1) If a transcript is prepared from audio records by a person other than the reporter, the reporter shall certify the records and the transcriber shall certify the transcript. In all other cases, the transcript must be certified by the reporter or the trial judge.

(2) A transcriber shall prepare a transcript in the format prescribed by the court by the later of:

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

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

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

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

(b) File a certificate of preparation for the transcript with the State Court Administrator. The certificate must indicate that the transcript has been served in the manner required

by subsection (4) of this section. A copy of the certificate must be served on the trial court administrator, the transcript coordinator and the parties.

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

(a) Subject to paragraph (d) of this subsection, if an appellant is not represented by an attorney, the transcriber shall serve an electronic copy of the transcript on the appellant at the electronic mail address provided by the appellant unless the appellant specifically requests that a paper copy of the transcript be mailed to the appellant at the postal address indicated in the notice of appeal. If an electronic mail address for the appellant does not appear in the notice of appeal, the transcriber shall mail a paper copy of the transcript to the appellant at the postal address indicated in the notice of appeal.

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

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

(d) If two or more unrepresented appellants request paper copies of a transcript under paragraph (a) of this subsection, or two or more unrepresented respondents request paper copies of a transcript under paragraph (b) of this subsection, the transcriber shall deposit a copy of the transcript with the trial court administrator for the use of the unrepresented parties. The copy must be in the medium specified by the trial court administrator. The transcriber shall serve notice on the unrepresented parties that the transcript has been deposited with the trial court administrator, and shall file proof of that service with the trial court administrator and with the State Court Administrator. Deposit of a copy of a transcript with the trial court administrator under this paragraph constitutes service of the transcript on the unrepresented parties to the appeal.

(5) If two or more transcribers are preparing parts of the transcript, the certificate of preparation is considered filed under subsection (3) of this section when the final certificate of preparation is filed with the State Court Administrator.

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

(b) A copy of a motion to correct or add to the transcript made under this subsection must be served on the State Court Administrator. If the motion is denied, the trial court shall enter an order settling the transcript and transmit a copy of the order to the State Court Administrator.

(c) If a motion is granted under this subsection, the trial court shall direct the making of such corrections and the adding of such matter as may be appropriate and shall fix the time within which such corrections or additions must be made. Immediately after preparing the corrected or additional transcript, the transcriber shall serve a copy of the transcript on the parties in the manner required by subsection (4) of this section, and shall file proof of that service with the trial court administrator, the transcript coordinator and the State Court Administrator. Upon receiving proof of service from all transcribers of the pro-

ceedings, the State Court Administrator shall issue a notice to the parties indicating that the transcript has been settled.

(7) Unless a motion to correct or add to the transcript is made under subsection (6) of this section, a transcript is automatically settled 15 days after a certificate of preparation is filed under subsection (3) of this section. If a motion to correct or add to the transcript is made, the transcript is settled on the date that the State Court Administrator issues the notice to the parties under subsection (6) of this section.

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

SECTION 61. ORS 21.345 is amended to read:

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

(b) **A transcriber may not charge a fee in addition to the fee established under this subsection for:**

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

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

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

(2) Except as provided in subsection (3) of this section, a reporter employed by one of the parties may charge fees as agreed to between the reporter and all of the parties to the proceeding for preparing transcripts on appeal [as provided in ORS 8.350]. The reporter and the parties [shall] **must** agree to the fees to be charged [prior to] **before** the commencement of the proceeding to be recorded. **A share of** any fees agreed upon shall be charged to parties joining the proceeding after the commencement of the proceeding [for preparing transcripts on appeal as provided in ORS 8.350].

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

(4) Each page of the original transcript on appeal prepared [by a reporter] under this section must be prepared as specified by rules for transcripts on appeal adopted by the Supreme Court **and the Court of Appeals.**

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

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

(7) **For purposes of this section, "transcript" has the meaning given that term in ORS 19.005.**

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

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

CONCILIATION AND MEDIATION SERVICES AND LAW LIBRARIES

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

- (a) The provision of conciliation and mediation services in circuit courts; or
- (b) The operation of law libraries or the provision of law library services.

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

(3) The governing body of a county may not spend more than one-half of the amount distributed to the county under section 8 (2), chapter ___, Oregon Laws 2013 (Enrolled House Bill 5016), for the provision of conciliation and mediation services in circuit courts.

OREGON DEPARTMENT OF ADMINISTRATIVE SERVICES

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

(2) As used in this section:

(a) "Pay-line exception" means any dollar amount added to the base salary of an employee, including, but not limited to, as a percentage of the base salary or as a specified dollar amount.

(b) "State agency" has the meaning given that term in ORS 291.263.

TRANSFERS

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

STATE TREASURER

SECTION 67. ORS 293.812 is amended to read:

293.812. As used in ORS 293.811 to 293.817:

(1) "Company" means any sole proprietorship, organization, firm, association, corporation, utility, partnership, venture, public franchise, franchisor, franchisee or its wholly owned subsidiary that exists for profit-making purposes or otherwise to secure economic advantage.

[(2) "Doing business" means maintaining equipment, facilities, personnel or any other apparatus of business or commerce in Sudan, including the ownership or possession of real or personal property located in Sudan.]

[(3) "Investment" or "Invest" means the commitment of funds or other assets to a company, including a loan or other extension of credit made to that company, or the ownership or control of a share or interest in that company or of a bond or other debt instrument issued by that company.]

[(4) "Subject investment funds" means:]

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

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

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

[(d) The Oregon War Veterans' Fund referred to in ORS 407.495; and]

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

(2) **“Fund of funds” means investment funds that function by secondary investment in a portfolio of other investments, including investment funds.**

(3) **“Index funds” means pooled investments that are passively managed with an intent to match or track the performance of a market index.**

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

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

(6) **“Scrutinized company” means any company that currently has an investment, in the Sudan, from which federal law specifically allows public pension plans to divest.**

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

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

SECTION 69. (1) The Oregon Investment Council and the State Treasurer, in the State Treasurer’s role as investment officer for the council, shall act reasonably and in a manner consistent with fiduciary standards, including the provisions of ORS 293.721 and 293.726, to try to ensure that managers who are engaged by the council or the State Treasurer for the active management of investment funds consisting of the Public Employees Retirement Fund referred to in ORS 238.660, through the purchase and sale of publicly traded equities, are not investing in publicly traded equities of any scrutinized company.

(2) **Subsection (1) of this section does not apply to investment indirectly made through index funds, fund of funds or privately placed investments.**

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

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

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

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

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

(b) **Not later than 90 days after giving the notice, end investments in the scrutinized companies and avoid future investments in the scrutinized companies, as long as the managers may do so without monetary loss through reasonable, prudent and productive investments in companies generating returns that are comparable to the returns generated by the scrutinized companies.**

(3) **A notice provided by a manager to a scrutinized company under subsection (2) of this section shall advise the scrutinized company that the company may comment in writing to the State Treasurer to dispute the identification of the company as a scrutinized company.**

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

(5) The State Treasurer shall advise the Oregon Investment Council of a notice the State Treasurer provides under subsection (2) of this section if the manager to whom the notice was given has not informed the State Treasurer within 180 days after the date the notice was given that the manager has ended the manager's investment in scrutinized companies or plans to divest from its investment in scrutinized companies.

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

SECTION 72. (1) Sections 70 (2) to (5) and 71 of this 2013 Act apply only if the Legislative Assembly appropriates sufficient moneys to the State Treasurer, other than moneys described by ORS 293.718 or moneys in the Public Employees' Retirement Fund, to administer sections 70 (2) to (5) and 71 of this 2013 Act.

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

SECTION 74. Sections 69 to 71 of this 2013 Act and the amendments to ORS 293.812 by section 67 of this 2013 Act apply to investments made prior to, on or after the effective date of this 2013 Act.

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

SECTION 76. ORS 328.331 is amended to read:

328.331. (1) Any school district may request that the State Treasurer issue a certificate evidencing qualification of its school bonds for the state guaranty.

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

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

(b) Deadlines or application periods in which school districts must submit applications.

(c) The character, quality and currency of the information on the financial affairs and condition of a school district that must be submitted for a school district's application to be considered.

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

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

(f) Requirements related to additional conditions the school district must meet, which may include requiring a pledge of school district revenues or the grant of a security in other assets of the school district, to assure the State Treasurer that the school district will be able to fully reimburse the state for amounts transferred by the State Treasurer and any interest or penalties applicable to the transferred amounts.

[*f*] (g) The manner of designating the particular school bonds to which the State Treasurer's certificate of qualification and the state guaranty applies.

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

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

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

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

[(i)] (j) The method of providing notice of disqualification to school districts that fail to qualify or for which changes in financial affairs or condition or failure to provide the State Treasurer current or updated information warrant disqualification of the school district.

[(j)] (k) Requirements for promptly reporting to the State Treasurer any changes in condition or occurrences that may affect a school district's eligibility to qualify or maintain its qualification to participate in the state guaranty program.

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

(b)(A) Unless the certificate of qualification is revoked by the State Treasurer, and subject to the fulfillment of any conditions or requirements imposed by the State Treasurer, the school district receiving the certificate and all other persons may rely on the certificate as evidencing eligibility for the state guaranty for one year from and after the date of the certificate.

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

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

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

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

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

SECTION 77. ORS 328.346 is amended to read:

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

(A) Intercept any payments from the General Fund, the State School Fund, the income of the Common School Fund and any other source of operating moneys provided by or through the state to the school district that issued the school bonds that would otherwise be paid to the school district by the state; [and]

(B) Exercise the rights of a secured creditor in any moneys or assets pledged by the school district to secure the district's reimbursement obligation to the state; and

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

(b) The state has no obligation to the school district or to any person or entity to replace any moneys **or assets** intercepted **or pledged** under authority of this section.

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

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

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

(b) Pay interest to the state on all moneys paid by the state from the date the moneys were drawn to the date they are repaid at a rate to be determined by the State Treasurer, in the State Treasurer's discretion, to be sufficient to cover the costs of funds to the state plus the costs of administration of the state guaranty obligation and of collection of reimbursement; and

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

(3)(a) The State Treasurer shall establish the reimbursement interest rate after considering the circumstances of any prior draws by the school district on the state, market interest and penalty rates and the cost of funds, if any, that were required to be used or borrowed by the state to make payment on the school bonds. The State Treasurer shall have authority to establish, by negotiations with the school district or otherwise, any plan of reimbursement by the school district that will result in full and complete reimbursement to the state. Subject to the requirement for full and complete reimbursement, the State Treasurer may consider incorporating into the reimbursement plan the means and methods to allow the school district to continue its operations during the time the reimbursement plan is in effect.

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

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

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

(B) Meet its repayment obligations to the state.

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

(c) The Attorney General shall assist the State Treasurer in the discharge of the duties under this section.

(d) The school district shall pay the attorney fees, expenses and costs of the State Treasurer and the Attorney General.

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

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

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

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

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

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

(c) Notwithstanding paragraphs (a) and (b) of this subsection, a school district may not replace operating funds intercepted by the state **or otherwise paid to the State Treasurer** with moneys collected and held to make payments on school bonds if that replacement would divert moneys from

the payment of future debt service on the school bonds and increase the risk that the state guaranty would be called upon a second time.

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

SECTION 79. (1) Except for moneys subject to the intercept provided in ORS 328.346 (1)(a), a school district may pledge as security for its obligation to reimburse the state under ORS 328.346 (2) any:

- (a) Revenues received or held by the school district; or
- (b) Real or personal property held by the school district.

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

(3) The lien may be foreclosed by a proceeding brought in the circuit courts of the state and any tangible real or personal property subject to the lien may be sold upon an order of the court. The proceeds of the sale must be applied first to the payment of the costs of foreclosure and then to the amounts owing under ORS 328.346 (2), with any remaining balance paid to the school district.

OREGON UNIVERSITY SYSTEM

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

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

- (a) A university with a governing board; and
- (b) Any not-for-profit organization or other entity if the equity of the entity is owned or controlled exclusively by a university with a governing board and if the organization or entity is created by the university to advance any of the university's statutory missions.

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

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

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

(5) Notwithstanding subsection (2) of this section, ORS 190.430 and 192.105 do not apply to a university with a governing board or any organization or other entity described in subsection (1) of this section.

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

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

(8) A university with a governing board and its agents and employees remain subject to all statutes and administrative rules of this state that create rights, benefits or protections in favor of

military veterans, service members and families of service members to the same extent as an agency of this state would be subject to such statutes and administrative rules.

(9) ORS 351.692, 351.695 and 351.697 apply to a governing board, except that the board has the responsibilities and authorities with respect to the university it governs that the State Board of Higher Education and the Oregon University System have with respect to the public universities identified in ORS 351.011. A university with a governing board may not issue a tax credit certificate under ORS 351.692, 351.695 and 351.697 that will cause the public universities listed in ORS 352.002 to owe the General Fund more than \$6 million at any one time under ORS 351.692, 351.695 and 351.697.

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

(11) Nothing in this section may be construed so that statutory provisions that are not set forth in this section apply to a university with a governing board.

DEPARTMENT OF EDUCATION

SECTION 81. If House Bill 2747 becomes law:

(1) Notwithstanding ORS 327.008 and 327.013, for the biennium beginning July 1, 2013, the Department of Education may expend up to \$500,000 from the State School Fund for the purposes of this section.

(2) The department shall distribute moneys authorized to be expended under this section to a school district to which section 8, chapter ___, Oregon Laws 2013 (Enrolled House Bill 2747), applies for approved costs incurred by the school district during the 2013-2014 school year for providing educational services, including special education and related costs, to students who, notwithstanding section 8, chapter ___, Oregon Laws 2013 (Enrolled House Bill 2747), are not considered residents of the school district under ORS 339.133 and 339.134 and who are admitted to a long term care facility or a skilled nursing facility.

(3) The amount of moneys received by a school district under this section may not exceed the approved costs incurred by the school district as described in ORS 327.348 and determined by the department, less two times the amount of the district's General Purpose Grant per ADMw as calculated under ORS 327.013, and any amount received by the school district for the student from:

- (a) The High Cost Disabilities Account; and**
- (b) Federal funds.**

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

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

- (a) Serve students in any grade from kindergarten through grade eight; and**
- (b) Are in the bottom five percent of schools that are considered high poverty under Title I of the federal Elementary and Secondary Education Act of 1965, as determined based on a rating system used by the department.**

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

(3) Grants made under this section may be made only to a school for a school year in which the school did not receive any School Improvement Grant moneys under the federal Elementary and Secondary Education Act of 1965.

(4) The department shall award grants under this section to at least two schools from each congressional district. Criteria used in the awarding of the grants may include measures of income of the percentage of students who attend the school who are from families in poverty, instructional support needs and levels of academic performance.

(5) Any recipient of moneys distributed as a grant under this section must provide separate accounting for the moneys and may use the moneys only for the purpose for which the moneys are provided.

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

DEPARTMENT OF TRANSPORTATION

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

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

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

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

(5) Notwithstanding subsections (1) to (4) of this section, the Legislative Assembly intends to provide to Multnomah County additional allocation of moneys in the amount of \$8,500,000, as originally contemplated in section 7, chapter 55, Oregon Laws 2012, for expenditure for additional project development and construction of Cornelius Pass Road.

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

REVERSION OF LOTTERY ALLOCATIONS

SECTION 86. (1) On December 31 in each odd-numbered year, all amounts remaining unspent by a state agency from statutory allocations made from the Administrative Services Economic Development Fund to that agency for the prior biennium shall revert to the Administrative Services Economic Development Fund.

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

SECTION 87. Section 86 of this 2013 Act applies to statutory allocations remaining unspent on or after December 31, 2015.

AUDIT REPORTS

SECTION 88. ORS 297.075 is repealed.

STATE LAND BOARD

SECTION 89. If House Bill 2506 and House Bill 3233 become law, and notwithstanding ORS 327.008 and 327.013, for the biennium beginning July 1, 2013, if the State Land Board increases distributions for the 2013-2015 biennium from the Common School Fund by an amount exceeding the standard distribution of Common School Fund earnings per board policy adopted April 14, 2009, and the Superintendent of Public Instruction receives a transfer in this amount pursuant to ORS 327.410, then the Department of Education may transfer up to \$12 million from the State School Fund during the biennium beginning July 1, 2013, to the Network of Quality Teaching and Learning Fund established by section 11, chapter 577, Oregon Laws 2013 (Enrolled House Bill 2506).

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

MISCELLANEOUS

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

EMERGENCY CLAUSE

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

Passed by House July 8, 2013

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Ramona J. Line, Chief Clerk of House

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Tina Kotek, Speaker of House

Passed by Senate July 8, 2013

.....
Peter Courtney, President of Senate

Received by Governor:

.....M.,....., 2013

Approved:

.....M.,....., 2013

.....
John Kitzhaber, Governor

Filed in Office of Secretary of State:

.....M.,....., 2013

.....
Kate Brown, Secretary of State