

Enrolled
Senate Bill 5533

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CHAPTER

AN ACT

Relating to lottery bonds; creating new provisions; amending ORS 285B.551 and sections 4, 10 and 29, chapter 906, Oregon Laws 2009; repealing section 18, chapter 624, Oregon Laws 2011; appropriating money; and declaring an emergency.

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

SECTION 1. ORS 285B.551 is amended to read:

285B.551. (1) Pursuant to ORS 286A.560 to 286A.585, at the request of the Oregon Department of Administrative Services, after the department consults with the Oregon Business Development Department, the State Treasurer is authorized to issue lottery bonds:

(a) To provide financial and other assistance, including but not limited to loans and grants, to municipalities, ports and other persons and entities in accordance with the laws governing use of moneys in the Special Public Works Fund created by ORS 285B.455, the Water Fund created by ORS 285B.563, the Safe Drinking Water Revolving Loan Fund created by ORS 285A.213, the Oregon Port Revolving Fund created by ORS 285A.708, the Brownfields Redevelopment Fund created by ORS 285A.188, the Oregon Business Development Fund created by ORS 285B.092 and the Marine Navigation Improvement Fund created by ORS 777.267.

(b) To fund Oregon's share of the costs of the Columbia River channel deepening project.

(c) To fund Oregon's share of the costs of studies and ecosystem restoration projects in the lower Columbia River estuary designed to improve habitat for listed endangered or threatened species of Columbia River anadromous salmonids.

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

(a) The financial and other assistance to municipalities, ports and other persons and entities will assist in the establishment and expansion of businesses in Oregon and in the construction, improvement and expansion of infrastructure, community and port facilities and other facilities that comprise the physical foundation for industrial and commercial activity and provide the basic framework for continued and expanded economic opportunities and quality communities throughout Oregon.

(b) The Columbia River channel deepening project is necessary to allow newer, larger steamships access to Oregon and Washington deep draft ports. A deeper shipping channel will allow the Columbia River to continue as a world leader in agricultural exports and as a key trade corridor for farms and businesses throughout Oregon and the region.

(c) Such financial and other assistance to municipalities, ports and other persons and entities and the deepening of the Columbia River channel will therefore promote economic development

within this state, and thus the use of net proceeds derived from the operation of the Oregon State Lottery to pay debt service on lottery bonds issued under this section to provide such financial and other assistance to municipalities, ports and other persons and entities and to pay a portion of the costs of deepening the Columbia River channel is an authorized use of state lottery funds under section 4, Article XV of the Oregon Constitution, and ORS 461.510.

(d) The current lower Columbia River estuary habitat for listed endangered or threatened species of Columbia River anadromous salmonids could be improved through ecosystem restoration projects. The use of the Oregon State Lottery to pay debt service on lottery bonds issued under this section to pay for studying how the estuary could be improved and to pay for ecosystem restoration projects are authorized uses of state lottery funds.

(3)(a) The aggregate principal amount of lottery bonds issued pursuant to subsection (1)(a) of this section for financial and other assistance to municipalities, ports and other persons and entities may not exceed the sum of [~~\$276,226,252~~] **\$288,226,252** and an additional amount estimated by the State Treasurer to be necessary to pay bond-related costs. The aggregate principal amount of lottery bonds issued pursuant to subsection (1)(b) of this section for the Columbia River channel deepening project may not exceed the sum of \$17.7 million and an additional amount estimated by the State Treasurer to be necessary to pay bond-related costs.

(b) The Oregon Department of Administrative Services may not request the issuance of lottery bonds under subsection (1)(b) of this section until the Director of the Oregon Business Development Department determines that a final environmental impact statement has been issued and a record of decisions has been submitted to Congress by the United States Army Corps of Engineers, Congress has authorized the Columbia River channel deepening project, and the Washington sponsors' shares of the costs of the Columbia River channel deepening project have been committed.

(4) The net proceeds of lottery bonds issued pursuant to subsection (1)(a) and (b) of this section shall be deposited in the Economic Infrastructure Project Fund, which is hereby established in the State Treasury separate and distinct from the General Fund. Interest earned by the Economic Infrastructure Project Fund shall be credited to the fund. All moneys in the Economic Infrastructure Project Fund are continuously appropriated to the Oregon Business Development Department for any purpose for which moneys in the Special Public Works Fund created by ORS 285B.455 may be used, any purpose for which moneys in the Water Fund created by ORS 285B.563 may be used, any purpose for which moneys in the Safe Drinking Water Revolving Loan Fund created by ORS 285A.213 may be used, any purpose for which moneys in the Oregon Port Revolving Fund created by ORS 285A.708 may be used, any purpose for which moneys in the Brownfields Redevelopment Fund created by ORS 285A.188 may be used, any purpose for which moneys in the Oregon Business Development Fund created by ORS 285B.092 may be used and any purpose for which moneys in the Marine Navigation Improvement Fund created by ORS 777.267 may be used. The Director of the Oregon Business Development Department shall allocate the moneys deposited in the Economic Infrastructure Project Fund for the purposes described in this subsection in accordance with the priorities developed by the Oregon Business Development Commission in accordance with ORS 285A.020. However, the director shall transfer from the Economic Infrastructure Project Fund and deposit into the Channel Deepening Account of the Marine Navigation Improvement Fund the proceeds of any lottery bonds sold to finance a portion of the costs of the Columbia River channel deepening project. Upon determining the relative allocation of moneys deposited in the Economic Infrastructure Project Fund among the purposes described in this subsection, the director shall transfer from the Economic Infrastructure Project Fund, and deposit into each of the other funds described in this subsection, the amounts so allocated. Notwithstanding any other provision of law governing the funds described in this subsection, the funds described in this subsection may be credited with moneys transferred from the Economic Infrastructure Project Fund by the director in accordance with this subsection.

(5) The aggregate principal amount of lottery bonds issued pursuant to subsection (1)(c) of this section for the costs of studies and ecosystem restoration projects in the lower Columbia River estuary may not exceed the sum of \$750,000 and an additional amount estimated by the State

Treasurer to be necessary to pay bond-related costs. The net proceeds of lottery bonds issued pursuant to subsection (1)(c) of this section shall be deposited in the Oregon Business, Innovation and Trade Fund created by ORS 285A.227 and may be used only for the Oregon nonfederal share of United States Army Corps of Engineers Columbia River estuary projects authorized by Congress prior to August 9, 2001. The director may not request the issuance of lottery bonds under subsection (1)(c) of this section until Congress and Washington have authorized their respective shares of the costs of the studies and ecosystem restoration projects in the lower Columbia River estuary.

(6) The proceeds of lottery bonds issued pursuant to this section may be used only for the purposes set forth in this section and for bond-related costs.

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

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

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

(a) Infrastructure projects will create jobs; and

(b) Integrated development of infrastructure will establish a foundation for expanding existing businesses and for developing and attracting new businesses.

SECTION 3. (1) The Regional Infrastructure Fund is established in the State Treasury, separate and distinct from the General Fund. Interest earned on the moneys in the Regional Infrastructure Fund shall be credited to the fund. The Regional Infrastructure Fund consists of moneys deposited in the fund under section 2 of this 2013 Act and may include fees, revenues or other income deposited into the fund by the Legislative Assembly.

(2) Moneys in the fund are continuously appropriated to the Oregon Business Development Department for disbursement to local governments for the purposes set forth in section 2 of this 2013 Act.

SECTION 4. (1) The Director of the Oregon Business Development Department, in accordance with ORS chapter 183, shall adopt rules necessary to administer programs or projects financed with moneys obtained pursuant to sections 2 and 3 of this 2013 Act. The rules shall address procedures for authorizing infrastructure planning and research efforts, developing and evaluating grant and loan applications, awarding grants and loans from the Regional Infrastructure Fund and administering a grant and loan review committee, and may include other provisions the director determines necessary or convenient for the Oregon Business Development Department to perform its duties and responsibilities under sections 2 and 3 of this 2013 Act.

(2) The rules must be developed in consultation with the Director of the Oregon Department of Administrative Services or the director's designee.

SECTION 5. (1) For the biennium beginning July 1, 2013, at the request of the Oregon Department of Administrative Services, after the department consults with the Oregon Business Development Department, the State Treasurer is authorized to issue lottery bonds pursuant to ORS 286A.560 to 286A.585 in an amount that produces \$1.75 million in net pro-

ceeds and interest earnings for transfer to the Oregon Business Development Department for deposit in the Cultural Resources Economic Fund, established in section 6 of this 2013 Act, to provide grants described in subsection (2) of this section, plus an additional amount estimated by the State Treasurer to be necessary to pay bond-related costs.

(2) The Oregon Business Development Department shall grant:

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

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

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

(a) Leveraging art and cultural resources to create vibrant public spaces that integrate art and cultural and natural amenities, to sustain Oregon's rich arts and cultural experiences and to enhance a strong sense of place and community identity.

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

SECTION 6. (1) The Cultural Resources Economic Fund is established in the State Treasury, separate and distinct from the General Fund. Interest earned on the moneys in the Cultural Resources Economic Fund shall be credited to the fund. The Cultural Resources Economic Fund consists of moneys deposited in the fund under section 5 of this 2013 Act and may include fees, revenues or other income deposited into the fund by the Legislative Assembly.

(2) Moneys in the fund are continuously appropriated to the Oregon Business Development Department for disbursement for the purposes set forth in section 5 of this 2013 Act.

SECTION 7. (1) For the biennium beginning July 1, 2013, at the request of the Oregon Department of Administrative Services, after the department consults with the Water Resources Department, the State Treasurer is authorized to issue lottery bonds pursuant to ORS 286A.560 to 286A.585 in an amount that produces \$10,000,000 in net proceeds and interest earnings for the purposes described in subsection (2) of this section, plus an additional amount estimated by the State Treasurer to be necessary to pay bond-related costs.

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

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

(a) Adequate drinking water systems, irrigation, drainage and healthy ecosystems enhance community development and encourage economic growth.

(b) Having adequate drinking water systems, irrigation, drainage and healthy ecosystems is essential to Oregon's economic growth.

(c) Assisting local governments to mitigate losses resulting from reduced water supply for irrigation and retirement of water rights will enhance community efforts to facilitate and promote economic growth.

SECTION 7a. (1) If Senate Bill 839 becomes law, the moneys described in section 7 (2) of this 2013 Act must be deposited in the Water Supply Development Account established in section 3, chapter _____, Oregon Laws 2013 (Enrolled Senate Bill 839).

(2) If Senate Bill 839 does not become law, the moneys described in section 7 (2) of this 2013 Act must be deposited in the Water Resources Department Water Supply Fund established in section 10, chapter 906, Oregon Laws 2009.

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

Sec. 10. (1) The Water Resources Department Water Supply Fund is established separate and distinct from the General Fund. Interest earned on moneys deposited in the Water Resources Department Water Supply Fund shall be credited to the fund. Moneys in the fund are continuously appropriated to the Water Resources Department.

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

(a) Net proceeds of lottery bonds issued pursuant to sections 8 and 9, chapter 906, Oregon Laws 2009, deposited into the Water Resources Department Water Supply Fund for the following purposes:

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

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

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

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

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

(c) Net proceeds of lottery bonds issued pursuant to section 7 of this 2013 Act in an amount sufficient to provide \$10,000,000 in net proceeds and interest earnings to develop and implement water storage systems and delivery infrastructure, implement conservation and reuse projects and provide new access to water supplies.

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

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

(2) Net proceeds of lottery bonds issued under this section and interest earnings must be transferred to the State Department of Energy in an amount sufficient to provide \$5 million in net proceeds and interest earnings for deposit in the Clean Energy Deployment Fund established in ORS 470.800 for the purposes described in ORS 470.810.

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

(a) Increasing and promoting energy efficiency in structures and operations statewide increases economic development and energy conservation, and expands opportunities for new and emerging industries in Oregon.

(b) The projects made possible through increased funding of energy efficiency programs creates jobs and furthers economic development.

SECTION 9. (1) **For the biennium beginning July 1, 2013, at the request of the Oregon Department of Administrative Services, after the department consults with the State Parks**

and Recreation Department, the State Treasurer is authorized to issue lottery bonds pursuant to ORS 286A.560 to 286A.585 in an amount that produces \$5 million in net proceeds and interest earnings for the purposes described in subsection (2) of this section, plus an additional amount estimated by the State Treasurer to be necessary to pay bond-related costs.

(2) Net proceeds of lottery bonds issued under this section and interest earnings in an amount sufficient to provide \$5 million must be transferred to the State Department of Parks and Recreation to provide assistance for land acquisition, improvements, rehabilitation and enhancement of the area in Clackamas County in or around the area including Willamette Falls.

(3) The Legislative Assembly finds that the use of lottery bond proceeds will create jobs, further economic development, finance public education or restore and protect parks, beaches, watersheds and native fish and wildlife, and is authorized because:

(a) Improving the area around Willamette Falls will enhance the economic viability of the region, create jobs and improve the quality of life for the community.

(b) The project will have a positive impact on the local environment including the watershed in the immediate area.

SECTION 10. (1) The Willamette Falls Park Fund is established in the State Treasury, separate and distinct from the General Fund. Interest earned on moneys in the Willamette Falls Park Fund shall be credited to the fund. The Willamette Falls Park Fund consists of moneys deposited in the fund under section 9 of this 2013 Act and may include fees, revenues or other income deposited into the fund by the Legislative Assembly.

(2) Moneys in the fund are continuously appropriated to the State Department of Parks and Recreation for purposes described in section 9 of this 2013 Act.

SECTION 11. (1) For the biennium beginning July 1, 2013, at the request of the Oregon Department of Administrative Services, in consultation with the Department of Transportation, the State Treasurer is authorized to issue lottery bonds pursuant to ORS 286A.560 to 286A.585 in an amount that produces \$42 million in net proceeds and interest earnings for the purpose described in subsection (2) of this section, plus an additional amount estimated by the State Treasurer to be necessary to pay bond-related costs.

(2) Net proceeds of lottery bonds issued pursuant to this section and interest earnings must be transferred to the Department of Transportation for deposit in the Multimodal Transportation Fund established under ORS 367.080 in an amount sufficient to provide \$42 million for the department to finance grants and loans for transportation projects as provided in ORS 367.080 to 367.086.

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

(4) The Legislative Assembly finds that issuing lottery bonds to finance transportation projects pursuant to this section is essential to promoting the state's economic development and the use of lottery bond proceeds is authorized based on the following findings:

(a) There is an urgent need to improve and expand publicly owned and privately owned transportation infrastructure to support economic development in this state.

(b) A safe, efficient and reliable transportation network supports the long-term economic development and livability of this state.

(c) A multimodal network of air, rail, public transit, highway and marine transportation moves people and goods efficiently.

(d) Local governments and private sector businesses often lack capital and the technical capacity to undertake multimodal transportation projects.

(e) Public financial assistance can stimulate industrial growth and commercial enterprise and promote employment opportunities in this state.

(f) Public investment in transportation infrastructure will create jobs and further economic development in this state.

(g) The use of lottery bond proceeds as provided in this section will create jobs, further economic development, finance public education or restore and protect parks, beaches, watersheds, and native fish and wildlife within Oregon, and issuance of lottery bonds for the purpose described in this section is therefore an appropriate use of state lottery funds under Article XV, section 4, of the Oregon Constitution, and ORS 461.510.

SECTION 12. To the extent that proposed transportation projects meet the qualifications established by the Oregon Transportation Commission by rule, the commission shall allocate at least 10 percent of the net proceeds of the lottery bonds authorized by section 11 of this 2013 Act to each region described in this section. For purposes of this section, the regions are as follows:

(1) Region one consists of Clackamas, Columbia, Hood River, Multnomah and Washington Counties.

(2) Region two consists of Benton, Clatsop, Lane, Lincoln, Linn, Marion, Polk, Tillamook and Yamhill Counties.

(3) Region three consists of Coos, Curry, Douglas, Jackson and Josephine Counties.

(4) Region four consists of Crook, Deschutes, Gilliam, Jefferson, Klamath, Lake, Sherman, Wasco and Wheeler Counties.

(5) Region five consists of Baker, Grant, Harney, Malheur, Morrow, Umatilla, Union and Wallowa Counties.

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

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

(3) The Legislative Assembly finds that the use of lottery bond proceeds will create jobs, further economic development, finance public education or restore and protect parks, beaches, watersheds and native fish and wildlife, and is authorized based on the findings identified by the Legislative Assembly in section 28, chapter 906, Oregon Laws 2009.

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

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

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

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

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

(2) Net proceeds of lottery bonds issued under this section in an amount sufficient to provide \$10.5 million in net proceeds and interest earnings must be transferred to the Department of Veterans' Affairs and deposited in the Roseburg Veterans' Home Construction Fund established in section 19, chapter 624, Oregon Laws 2011, for the purpose of acquiring, developing, constructing and equipping the Roseburg Veterans' Home.

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

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

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

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

(3) The Legislative Assembly finds that the use of lottery bond proceeds will create jobs, further economic development, finance public education or restore and protect parks, beaches, watersheds and native fish and wildlife, and is authorized based on the finding that establishment of the Oregon Convention Center hotel will create jobs in construction and result in an increased flow of money to Oregon generally and to businesses around the Oregon Convention Center by increasing the viability of the Oregon Convention Center as a site for national and international convention business.

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

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

(3) The Legislative Assembly finds that the use of lottery bond proceeds will create jobs, further economic development, finance public education or restore and protect parks, beaches, watersheds and native fish and wildlife, and is authorized based on the finding that extension of the road will create jobs and facilitate access and development of industrial lands.

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

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

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

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

(b) Having housing for at-risk populations is essential to Oregon's healthy economic growth.

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

SECTION 20. (1) **For the biennium beginning July 1, 2013, at the request of the Oregon Department of Administrative Services, after the department consults with the North Central Education Service District, the State Treasurer is authorized to issue lottery bonds pursuant to ORS 286A.560 to 286A.585 in an amount that produces \$1 million in net proceeds and interest earnings for the purpose described in subsection (2) of this section, plus an additional amount estimated by the State Treasurer to be necessary to pay bond-related costs.**

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

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

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

(2) Net proceeds of lottery bonds issued under this section in an amount sufficient to provide \$10 million in net proceeds and interest earnings must be transferred to the Department of Transportation for deposit in the DOT Economic Development Distributions Fund established in section 24 of this 2013 Act for distribution to the Oregon International Port of Coos Bay for the purpose of acquiring, constructing or improving the Coos Bay rail link, as defined in ORS 777.915.

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

SECTION 22. (1) **For the biennium beginning July 1, 2013, at the request of the Oregon Department of Administrative Services, after the department consults with the Department of Transportation and Salem-Keizer Transit, the State Treasurer is authorized to issue lot-**

tery bonds pursuant to ORS 286A.560 to 286A.585 in an amount that produces \$3.5 million in net proceeds and interest earnings for the purpose described in subsection (2) of this section, plus an additional amount estimated by the State Treasurer to be necessary to pay bond-related costs.

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

(3) The Legislative Assembly finds that the use of lottery bond proceeds will create jobs, further economic development, finance public education or restore and protect parks, beaches, watersheds and native fish and wildlife, and is authorized based on the finding that improvements in public transportation systems are necessary to facilitate the flow of members of the workforce and consumers of all manner of goods and services in an efficient manner.

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

(2) Moneys in the fund are continuously appropriated to the Oregon Department of Administrative Services for the purpose of distributions described in subsection (1) of this section.

SECTION 24. (1) The DOT Economic Development Distributions Fund is established in the State Treasury, separate and distinct from the General Fund. Interest earned on the moneys in the DOT Economic Development Distributions Fund shall be credited to the fund. The fund consists of lottery bond proceeds appropriated to the Department of Transportation for further distribution to public or private entities that do not receive appropriations directly from the Legislative Assembly and interest credited to the fund.

(2) Moneys in the fund are continuously appropriated to the Department of Transportation for the purpose of distributions described in subsection (1) of this section.

SECTION 25. 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 July 1, 2013.

Passed by Senate July 8, 2013

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Robert Taylor, Secretary of Senate

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Peter Courtney, President of Senate

Passed by House July 8, 2013

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Tina Kotek, Speaker of House

Received by Governor:

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

Approved:

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

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John Kitzhaber, Governor

Filed in Office of Secretary of State:

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

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Kate Brown, Secretary of State