

Enrolled Senate Bill 7

Sponsored by Senator COURTNEY, Representative BERGER, Senator WINTERS; Senators EDWARDS, HANSELL, JOHNSON, KNOPP, ROBLAN, THOMSEN, Representatives CAMERON, ESQUIVEL, KOMP, OLSON, SPRENGER

CHAPTER

AN ACT

Relating to the state fair; creating new provisions; amending ORS 279A.025, 279A.050, 291.055, 307.110, 390.134, 565.130, 565.150, 565.610, 565.620, 565.630 and 565.640; repealing ORS 565.021, 565.030, 565.040, 565.050, 565.060, 565.080, 565.090, 565.095, 565.103, 565.107, 565.109, 565.114, 565.116, 565.120, 565.140, 565.160 and 565.170; and declaring an emergency.

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

INCLUSION IN CHAPTER

SECTION 1. Sections 2 to 13 of this 2013 Act are added to and made a part of ORS chapter 565.

DEFINITIONS

SECTION 2. As used in sections 2 to 13 of this 2013 Act:

(1) "Fairground properties and facilities" means grounds, equipment, permanent and temporary structures and other improvements that are owned, rented, leased or otherwise controlled for Oregon State Fair or exposition center purposes.

(2) "Oregon State Fair" means the exhibition described in section 3 (3) of this 2013 Act.

STATE FAIR COUNCIL ESTABLISHMENT, MISSION AND PURPOSES

SECTION 3. (1) The State Fair Council is established as a public corporation and shall exercise and carry out all powers, rights and privileges that are expressly conferred upon the council, are implied by law or are incident to such powers, rights and privileges. The council is an independent public corporation with a statewide mission and purposes and without territorial boundaries. The council is a governmental entity performing governmental functions and exercising governmental powers but, except as otherwise provided by law, is not a unit of local or municipal government or a state agency for purposes of state statutes or constitutional provisions.

(2) Unless otherwise provided by law, the council is not subject to ORS chapters 182, 183, 240, 270, 273, 276, 279A, 279B, 279C, 283, 291, 292 or 293 or ORS 35.550 to 35.575, 183.710 to

183.725, 183.745, 183.750, 190.430, 190.490, 200.035, 236.605 to 236.640, 243.303, 243.305, 243.315, 243.325 to 243.335, 243.345, 243.350, 243.696, 279.835 to 279.855, 282.010 to 282.150, 291.050 to 291.060 or 656.017 (2).

(3) The mission and purposes of the council are:

(a) To conduct a state fair to be known as the Oregon State Fair for the education and entertainment of Oregon residents and for the promotion, preservation, growth and prosperity of the industries and interests traditionally represented in state fair activities such as agriculture, stock raising, horticulture, youth group involvement in agricultural, stock-raising and horticultural activities, viticulture, manufacturing, metal fabrication, technology and artistic, creative and cultural pursuits; and

(b) To promote Oregon tourism related to the Oregon State Fair and fairground properties and facilities, and promote and further the preservation, growth and prosperity of other industries and activities important to the state economy by conducting the Oregon State Fair and using fairground properties and facilities.

(4) To help fulfill the council's mission and purposes, the council shall encourage residents in all parts of this state to participate in or attend the Oregon State Fair. The council may take any necessary or expedient actions to ensure that fairground properties and facilities are adequate and in good repair. The council shall operate the fairground properties and facilities as an exposition center, encourage the full utilization of the properties and facilities for revenue generation and make expenditures for the construction, repair, remodeling, maintenance, insurance and other needs of the fairground properties and facilities. Subject to any limitations established under this chapter, the council may take other actions the council deems necessary or expedient to ensure the financial viability of the Oregon State Fair and the exposition center or to promote the Oregon State Fair, Oregon tourism and other industries related to fairground business operations or fairground properties and facilities.

STATE FAIR COUNCIL MEMBERS AND EMPLOYEES

SECTION 4. (1) The State Fair Council shall consist of no fewer than nine and no more than 13 members appointed by the Governor. A council member holds office for a term of four years, but may be removed at any time during the term at the pleasure of the Governor. Council members are eligible for reappointment. Prior to the expiration of the term of a member, the Governor shall appoint a successor. If a member position becomes vacant for any reason, the Governor shall appoint a successor to fill the unexpired term.

(2) The council shall consist of:

(a) No fewer than seven and no more than 11 members who have experience in, and are representatives of, industries and interests traditionally represented in Oregon State Fair activities, and who have backgrounds in industries and interests pertinent to carrying out the duties, functions and powers of the council, including but not limited to:

- (A) Private sector business;
 - (B) The nonprofit sector;
 - (C) Economic development interests;
 - (D) The finance industry; and
 - (E) The events and facility management industry.
- (b) One member who is an elected official of a city.
- (c) One member who is an elected official of a county.

(3) The President of the Senate and the Speaker of the House of Representatives shall jointly select one member from among the members of the Legislative Assembly for appointment to act as a nonvoting observer of and advisor to the council. The member of the Legislative Assembly may not exercise any power, right or privilege of a council member.

(4) The Salem city manager may act as a nonvoting observer of and advisor to the council. The Salem city manager may not exercise any power, right or privilege of a council member.

(5) A majority of the council is required for the conducting of business.

(6) The council shall elect one member as a chairperson and one member as a vice chairperson, with duties and powers as determined by the council. The council shall meet at the call of the chairperson or of a majority of the members.

(7) A member of the council is not entitled to compensation, but may be reimbursed as provided by council policies and procedures for any actual and necessary travel and other expenses incurred by the member in the performance of the member's official duties.

SECTION 5. (1) The State Fair Council may employ a state fair director to oversee the day-to-day carrying out of fairground business operations and the operation of fairground properties and facilities, including but not limited to the annual conducting of the Oregon State Fair, the use of fairground properties and facilities for an exposition center, the issuance of payments for construction, repair, remodeling, maintenance, insurance and other needs of fairground properties and facilities as directed by the council, the solicitation for financial support for the Oregon State Fair and fairground properties and facilities and the promotion of the Oregon State Fair and related Oregon tourism and other industries.

(2) The state fair director may employ such subordinate council employees as the director deems reasonable for the carrying out of fairground business operations and the operation of fairground properties and facilities, including but not limited to the conducting of the Oregon State Fair and the operation of fairground properties and facilities as an exposition center.

(3) The council shall determine and approve policies and procedures to further the mission and purposes of the council and shall provide oversight and guidance to the state fair director and employees of the council.

(4) The members of the council, the state fair director and the employees of the council are not state employees and are not eligible for participation in state employee health benefit plans, state employee deferred compensation plans or the Public Employees Retirement System. The council shall determine the compensation and benefit package for the state fair director and other employees of the council. For purposes of any laws applicable to the council as a public corporation, including but not limited to ORS 30.260 to 30.300, the members of the council, the state fair director and the employees of the council are officers and employees of a public body.

(5) The council and a state agency may enter into agreements for the state agency to provide support services to the council. Except as provided in this subsection, if a state agency provides support services to the council, the state agency must provide the support services at the rate that the state agency would charge to other state agencies for the services. The State Parks and Recreation Department may provide support services to the council at any rate mutually agreed to by the department and the council.

(6) The council may retain private legal counsel or, notwithstanding ORS 180.060, may contract for representation by the Attorney General. If the council contracts for representation by the Attorney General, the Attorney General shall charge the council for services at the rate charged state agencies for similar services.

OPERATION OF FAIRGROUND BUSINESS, PROPERTIES AND FACILITIES

SECTION 6. (1) The state fair director employed by the State Fair Council under section 5 of this 2013 Act shall be entrusted with the day-to-day carrying out of fairground business operations and the operation of fairground properties and facilities.

(2) The state fair director may contract for law enforcement or security services for fairground properties and facilities, including but not limited to law enforcement and security services during the Oregon State Fair.

(3) In addition to any other duties, functions or powers, the state fair director may:

(a) Establish charges and fees, including but not limited to charges and fees for admission to, and lease or rental of, fairground properties and facilities;

(b) Conduct or authorize events, exhibitions and all manner of business at fairground properties and facilities consistent with the mission and purposes of the State Fair Council; and

(c) Do all other things the director considers proper in the conducting of the annual Oregon State Fair or the operation of fairground properties and facilities as an exposition center.

(4) The state fair director may delegate any duty, function or power of the director to a subordinate employee except the duties, functions and powers of the director under section 9 of this 2013 Act.

SECTION 7. (1) The State Fair Council may not acquire or dispose of any real property or facilities without prior approval by the Oregon Department of Administrative Services. Legal title to fairground properties and facilities must remain with, or be established in, the name of the State of Oregon. The department and the council shall enter into an agreement for the council to exercise exclusive care, custody and control over fairground properties and facilities. The agreement shall provide for the council to make periodic payments to the State of Oregon for the leasing of the fairground properties and facilities. The agreement may not establish a fixed term in excess of 10 years, but may provide for renewal. Notwithstanding any fixed term for the agreement, the Legislative Assembly may terminate the agreement by law if the conducting of the Oregon State Fair, the carrying out of fairground business operations and the operation of fairground properties and facilities by the council results in a net loss in three of any five consecutive years. If the Legislative Assembly terminates the agreement, the department may dispose of any fairground properties and facilities for which the department determines disposal to be reasonable. The department and the council may modify the agreement terms and conditions by mutual consent to the extent consistent with this chapter.

(2) If any state agency has incurred an obligation for the purpose of paying for the construction, repair or remodeling of fairground properties or facilities, and the obligation remains outstanding at the time the agreement described in subsection (1) of this section is negotiated, the agreement shall provide for all or part of the periodic payments by the council to be credited to an appropriate account established in the State Treasury pursuant to ORS 291.001 (3) to compensate the obligated agency for the amounts coming due under the obligation. The agreement shall give priority to the full compensation of an obligated agency for any amounts coming due on revenue bonds payable from the revenues of fairground business operations or from the operation of fairground properties and facilities, including but not limited to revenue bonds issued under ORS 565.095 as set forth in the 2011 Edition of Oregon Revised Statutes.

(3) If any fairground properties or facilities are sold, the Oregon Department of Administrative Services shall ensure that any net proceeds of the sale are applied as provided in this subsection. Net sale proceeds shall be applied according to the following priorities:

(a) First, for the repair and maintenance of other fairground properties or facilities.

(b) Second, for the payment of any bonds secured by the property or facility sold.

(c) Third, for the payment of any bonds payable out of Oregon State Fair revenues or other fairground revenues.

(d) Fourth, for the acquisition of new fairground properties or facilities or other new properties and facilities for the conducting of the Oregon State Fair or for deposit to

fairground property and facility acquisition accounts described in section 10 (1) of this 2013 Act.

(4) The agreement described in subsection (1) of this section shall provide for appropriate apportionment between the council and the Oregon Department of Administrative Services of any insurance proceeds paid in compensation for loss involving fairground properties or facilities.

(5) Notwithstanding subsection (1) of this section, the Oregon Department of Administrative Services may seek an appropriation from the Legislative Assembly or the Emergency Board for moneys to support the conducting of the Oregon State Fair, the carrying out of fairground business operations, the operation of fairground properties and facilities or the repair, maintenance or insurance of fairground properties and facilities, if the council and the department agree that the existing and projected financial resources of the council are inadequate to conduct the Oregon State Fair, to carry out fairground business operations, to operate fairground properties and facilities, to make necessary repairs to fairground properties and facilities or to adequately maintain and insure fairground properties and facilities. Any appropriation to the department shall be expended and accounted for by the department as provided by law. Any expenditures made from an appropriation described in this subsection shall be an obligation owing from the council to the department.

SECTION 8. (1) The State Fair Council shall govern the conducting of the Oregon State Fair, the carrying out of fairground business operations and the operation of fairground properties and facilities. The council shall conduct the Oregon State Fair for a period of not less than three days and not more than 17 days annually on dates established by the council.

(2) The council may engage in all necessary or expedient actions or activities to carry out the mission and purposes of the council described in section 3 of this 2013 Act.

(3) The council may enter into contracts and agreements involving property, goods or services as the council deems reasonable to carry out the mission and purposes of the council or to execute any duties, functions or powers of the council, including but not limited to contracts and agreements related to the conducting of the Oregon State Fair, the carrying out of fairground business operations and the operation of fairground properties and facilities as an exposition center or the construction, repair, remodeling, maintenance and insurance of fairground properties and facilities. However, the council may not enter into any contract or agreement that will result in a lien on fairground properties or facilities that exceeds the available financial resources of the council without first obtaining permission for the lien from the Oregon Department of Administrative Services.

(4) The council may sue and be sued in its own name.

(5) Subject to subsection (3) of this section and section 7 (1) of this 2013 Act, the council may acquire, purchase, receive, hold, control, convey, sell, manage, operate, lease and improve real or personal property as the council deems necessary or expedient for conducting the Oregon State Fair, carrying out fairground business operations or operating fairground properties and facilities.

(6) ORS 227.286 does not apply to any construction, repair, remodeling or maintenance of fairground properties and facilities.

(7)(a) The council may solicit support for carrying out the mission and purposes of the council described in section 3 of this 2013 Act and, subject to section 7 (1) of this 2013 Act, may accept conditional or unconditional gifts, grants, donations, bequests and other contributions of money, property, services or other things of value from public or private sources and, subject to any terms of a contribution, may:

(A) Expend the contribution to benefit the conducting of the Oregon State Fair, the carrying out of fairground business operations, the operation of fairground properties and facilities, the promotion of the Oregon State Fair and related Oregon tourism and other industries;

(B) Deposit the contribution in a dedicated acquisition account described in section 10 (1) of this 2013 Act; or

(C) Use the contribution for any other purpose consistent with the mission and purposes of the council.

(b) The council may obtain sponsorships, sell advertising space, sell naming rights and engage in other transactions to generate revenue for any purposes consistent with the mission and purposes of the council.

STATE FAIR COUNCIL FINANCES

SECTION 9. (1) As used in this section:

(a) "Depository" has the meaning given that term in ORS 295.001.

(b) "Financial institution" has the meaning given that term in ORS 706.008.

(2) Except as provided in this section, moneys received by the State Fair Council must be promptly deposited into an account established by the council in a depository that is insured by the Federal Deposit Insurance Corporation or the National Credit Union Share Insurance Fund. In a manner consistent with the requirements of ORS 295.001 to 295.108, the chairperson and vice-chairperson of the council shall ensure that sufficient collateral secures any amount of funds on deposit that exceeds the limits of the coverage provided by the Federal Deposit Insurance Corporation or the National Credit Union Share Insurance Fund.

(3) The council may deposit moneys into an account established by the council in a financial institution that is not a depository if the amount on deposit is at all times fully insured by the Federal Deposit Insurance Corporation, the National Credit Union Share Insurance Fund or another appropriate federal regulatory body responsible for insuring amounts on deposit with the financial institution for the benefit of depositors.

(4) The council may invest any moneys the council receives. Except as provided in subsection (5) of this section, investments that the council makes are:

(a) Limited to investments described in ORS 294.035;

(b) Subject to the investment maturity date limitations described in ORS 294.135; and

(c) Subject to the conduct prohibitions listed in ORS 294.145.

(5) In addition to or in lieu of investments described in subsection (4) of this section, the council may invest in the investment pool described in ORS 294.805. For purposes of ORS 294.805 to 294.895, the state fair director is a local government official.

(6) Except as provided in this subsection, the state fair director shall provide to each meeting of the council a financial report that includes, but need not be limited to, a summary of account and investment activity, and copies of any account or investment statements received from a bank, investment firm or other source since the previous report was provided. The council may waive the financial report requirement if the council is meeting less than 30 days after a meeting to which the state fair director provided a financial report.

SECTION 10. (1) If the conducting of the Oregon State Fair, the carrying out of fairground business operations and the operation, maintenance or repair of fairground properties and facilities by the State Fair Council results in a net profit for the fiscal year, the council shall use any moneys in excess of scheduled expenditures and reasonable reserves only for:

(a) Deposit into depository or investment accounts designated for fairground business operations or for the repair, maintenance, acquisition or operation of fairground property or facilities; or

(b) Payment of obligations owed the Oregon Department of Administrative Services under section 7 (5) of this 2013 Act.

(2) The council shall include information regarding the fiscal year net profit or loss from the conducting of the Oregon State Fair, the carrying out of fairground business operations and the operation of fairground properties and facilities in the annual report made under

section 11 of this 2013 Act. The report shall include the amounts for each use made of any net profit moneys.

(3) If the total balance of depository or investment accounts described in subsection (1)(a) of this section exceeds \$50 million, the council shall notify the Oregon Department of Administrative Services. Upon receiving notice from the council under this subsection, the department shall cause an appraisal to be made of the sale and long-term lease values of fairground properties and facilities. The department shall also determine the payment schedule and outstanding amount of any obligations that have been incurred by state agencies for the purpose of paying for the construction, repair or remodeling of fairground properties and facilities, including but not limited to any amounts owing in payment of revenue bonds or lottery bonds issued for the construction, repair or remodeling of fairground properties and facilities. The department shall provide the appraisal and obligation information to the council. The council shall include information regarding the balance of the depository and investment accounts described in subsection (1)(a) of this section and the properties and facilities appraisal obligation information provided by the department in the annual report submitted by the council under section 11 of this 2013 Act.

SECTION 11. (1) The State Fair Council shall adopt a budget on a biennial basis using classifications of expenditures and revenues required by generally accepted accounting principles applicable to governmental entities. The budget is not subject to review and approval by the Legislative Assembly or to modification by the Legislative Assembly or the Emergency Board. The budget is not subject to any expenditure limit or to an allotment process. All moneys received or collected by the council are available for use as provided under this chapter at the discretion of the council.

(2) Prior to adopting or modifying a biennial budget, the council shall make the proposed budget, the adopted budget for the biennium then in progress and a financial report for the completed months of the biennium then in progress available for public review on a website maintained by the council for Oregon State Fair purposes. The council shall hold at least one regularly scheduled public meeting at which the public may comment on the proposed budget or modification. The council shall adopt a budget or budget modification at a regularly scheduled public meeting that is subsequent to the meeting at which the council allows public comment on the proposed budget or modification.

(3) The council shall submit to periodic audits by the Secretary of State. The council may retain a public accounting firm to annually examine and attest to the financial operations of the council. The council shall include the results of any public accounting in the annual report submitted to the Legislative Assembly under subsection (4) of this section.

(4) The council shall file an annual report with the Governor, a committee or interim committee of the Legislative Assembly dealing with economic development, the Legislative Fiscal Office and the Oregon Department of Administrative Services regarding the activities of the council, including but not limited to the conducting of the Oregon State Fair, the carrying out of fairground business operations and the operation of fairground properties and facilities as an exposition center and the resulting revenues and expenses.

SECTION 12. A person who gains or attempts to gain unauthorized entry to the Oregon State Fair or to an event held at fairground properties or facilities without paying a required admission fee commits a Class D violation. In addition to any enforcement officers specifically identified in ORS 153.005, the state fair director and other employees of the State Fair Council may issue citations for violations of this section.

LOCATION OF OREGON STATE FAIR

SECTION 13. (1) The Oregon State Fair shall be conducted on the state property, located in the City of Salem, historically devoted to Oregon State Fair purposes. The fairground properties and facilities described in this section must be dedicated for the conducting of the

Oregon State Fair and for the operation of the properties and facilities by the State Fair Council as an exposition center.

(2) The Oregon Department of Administrative Services may obtain or receive, by donation, exchange or purchase, properties and improvements adjacent to the fairground properties and facilities that the department, after consultation with the council, considers beneficial for the conducting of the Oregon State Fair and the use of the properties and facilities and, subject to the terms of any agreement described in section 7 (1) of this 2013 Act, may conduct or approve the construction, repair or remodeling of improvements, properties and facilities as the department considers necessary or expedient for the conducting of the Oregon State Fair, the operation of fairground properties and facilities as an exposition center or other council activities.

AMENDMENTS TO ORS CHAPTER 565

SECTION 14. ORS 565.130 is amended to read:

565.130. [(1) Licenses under ORS 565.120 may be issued permitting Any business to be conducted upon the grounds of the Oregon State Fair which under the laws of this state may be conducted at any place within the state, including the sale of malt, vinous or distilled liquor.]

[(2) Any business so licensed by the State Parks and Recreation Director is not required to pay license to any city, county or state, other than to the director as provided in ORS 565.120, for conducting a business upon the grounds of the Oregon State Fair.] **The state fair director may authorize the conducting of any lawful business at fairground properties and facilities. A business operating on fairground properties or facilities under authorization from the state fair director is not required to obtain a local business license for the operation.** However, nothing in this section shall interfere with the laws of this state requiring a license for the operation of a restaurant or requiring a license to be obtained from the Oregon Liquor Control Commission for the sale or distribution of alcoholic liquors.

SECTION 15. ORS 565.150 is amended to read:

565.150. (1) [When construction of an armory containing an auditorium is authorized under ORS 396.505 to 396.545 in Marion County, if the State Parks and Recreation Department and the General Staff of the Oregon National Guard arrive at a mutually satisfactory agreement for the use of the armory by the department, the department may, notwithstanding the provisions of ORS 565.090, permit such armory to be constructed on the grounds of the Oregon State Fair and grant control over such armory and grounds to the General Staff] **Notwithstanding section 7 of this 2013 Act, the State Fair Council and the General Staff of the Oregon National Guard may enter into a mutual agreement for the use, by the council and the General Staff, of an armory building and appurtenant grounds at a location on fairground property and for the General Staff to exercise control over the armory and grounds** for the period that such armory and grounds are used for military purposes. When such armory and grounds are no longer used for military purposes, the control over them shall revert to the [department] **council**.

(2) For purposes of this section, "control" does not include the power to sell, lease, mortgage or in any other way encumber an armory [constructed] **or grounds described** under subsection (1) of this section.

SECTION 16. ORS 565.610 is amended to read:

565.610. (1) [No person shall] **A person may not** set up any shop, booth, wagon or other vehicle for the sale of spirituous or other liquors, cigars, provisions or other articles of traffic, or [shall] sell or otherwise dispose of any liquors, cigars, goods, wares, merchandise, meals, lunch or any article of traffic whatever [on the grounds of the Oregon State Fair, or] on any grounds owned or occupied by a county fair board or any county or district society formed for the promotion and encouragement of agriculture, stock growing or horticulture, or within one-half mile of such grounds, without having paid the [State Parks and Recreation Department,] county fair board or such society the li-

cense for the privilege, or obtained the written consent of the [*department or*] county fair board or of the president and secretary of such society.

(2) Nothing in this section shall restrain any person except during fairs or exhibitions or other public events or meetings on the grounds [*of the Oregon State Fair or*] of any county fair board or of such societies, and for two days prior and two days subsequent thereto. This section does not extend to any person regularly and continuously carrying on business within one-half mile of the premises mentioned.

SECTION 17. ORS 565.620 is amended to read:

565.620. [*No person shall*] **A person may not** gain admission, or attempt to gain admission, to the grounds [*of the Oregon State Fair or of*] **owned or occupied by** a county fair board or [*of*] any society mentioned in ORS 565.610 during their annual fairs, [*or exhibitions, or at any public events or meetings on the grounds of the Oregon State Fair, county fair board or societies on their grounds, or grounds occupied by them or either of them,*] **exhibitions, public events or meetings** except through the special gates kept by the [*State Parks and Recreation Department, county fair boards or societies*] **county fair board or society** for that purpose.

SECTION 18. ORS 565.630 is amended to read:

565.630. [*The State Parks and Recreation Director,*] Any county fair board and every society mentioned in ORS 565.610 may regulate its prices of admission, licenses and all matters pertaining to the conduct of its annual fairs, exhibitions or other public events or meetings. The penalty for violation of its rules and regulations is a Class D violation.

SECTION 19. ORS 565.640 is amended to read:

565.640. The peace officers of [*the State Parks and Recreation Department,*] **a** county fair board or [*any of the societies*] **of a society** mentioned in ORS 565.610, during the continuance of each annual fair or other public event or meeting, and for three days prior and two days subsequent thereto, on the [*grounds of the Oregon State Fair or on any*] grounds owned or occupied by [*a*] **the** county fair board or [*such*] society for fairs, exhibitions or other public events or meetings, shall have all the authority of a deputy sheriff and may make arrests for violations of the provisions of ORS 565.610 to 565.650 or other laws of this state, or the rules or regulations of the [*department, county*] fair board or [*such*] society.

TRANSITIONAL PROVISIONS

SECTION 20. Notwithstanding the term of office specified in section 4 of this 2013 Act, the Governor may reduce the term of office for one or more of the initial members of the State Fair Council for purposes of administrative convenience.

SECTION 21. (1) The Governor shall complete the appointment of the initial members of the State Fair Council under section 4 of this 2013 Act no later than January 1, 2014.

(2) The Oregon Department of Administrative Services and the council shall make a good faith effort to complete an agreement no later than July 1, 2014, for the council to assume care, custody and control over the conducting of the Oregon State Fair, the carrying out of fairground business operations and the operation of fairground properties and facilities no later than December 31, 2015. The department shall report as provided under ORS 192.235 to 192.245 no later than October 1, 2014, to an interim committee of the Legislative Assembly dealing with economic development regarding the progress of the council and the department toward reaching an agreement. If the council and the department have not reached an agreement by the time the report is submitted, the report must note that the statutory repeals under section 34 of this 2013 Act are scheduled to occur no later than December 31, 2015.

(3) If the council and the department complete an agreement as described in subsection (2) of this section, the department shall notify the State Parks and Recreation Director and the State Treasurer of the date that the council will assume care, custody and control over

the conducting of the Oregon State Fair, the carrying out of fairground business operations and the operation of fairground properties and facilities under the agreement.

(4) Upon receiving notice under subsection (3) of this section, the director shall arrange for State Parks and Recreation Department staff to meet with the council to prepare for transferring the care, custody and control over the Oregon State Fair, fairground business operations and fairground properties and facilities to the council. The director shall make a good faith effort to ensure that the members of the council are fully briefed and familiarized with matters relating to the conducting of the Oregon State Fair, the carrying out of fairground business operations and the operation of fairground properties and facilities prior to the transfer taking effect.

(5) Notwithstanding section 5 (5) of this 2013 Act, for the period commencing on the effective date of this 2013 Act and ending on the care, custody and control assumption date stated in the notification given to the director by the Oregon Department of Administrative Services under subsection (3) of this section, employees of the State Parks and Recreation Department may provide support services to the council without charge.

SECTION 22. (1) On the date set forth in an agreement described in section 7 (1) of this 2013 Act for the State Fair Council to assume care, custody and control over the conducting of the Oregon State Fair and the carrying out of fairground business operations and the operation of fairground properties and facilities, the State Parks and Recreation Director shall deliver to the council all records and property within the jurisdiction of the director that relate to the conducting of the Oregon State Fair, to the carrying out of fairground business operations or to the operation of fairground properties and facilities. The chairperson of the council shall take possession of the records and property. The Governor shall resolve any dispute between the director and the chairperson relating to transfers of records, property and employees under this section, and the Governor's decision is final.

(2) Upon the council assuming the care, custody and control over the conducting of the Oregon State Fair, the carrying out of fairground business operations and the operation of fairground properties and facilities, the director shall reassign any State Parks and Recreation Department employees who were engaged primarily in exercising care custody or control over the conducting of the Oregon State Fair, the carrying out of fairground business operations or the operation of fairground properties and facilities, subject to change or termination of employment or compensation as provided by law.

SECTION 23. (1) Notwithstanding ORS 565.107 and sections 2 to 13 of this 2013 Act, at the request of the State Parks and Recreation Director, for the period commencing on the effective date of this 2013 Act and ending on the date stated in the notification given to the State Treasurer under section 21 (3) of this 2013 Act as the date the State Fair Council is to assume care, custody and control over the conducting of the Oregon State Fair, the carrying out of fairground business operations and the operation of fairground properties and facilities, in addition to any other authorized use of Oregon State Fair Account moneys, the State Treasurer may issue warrants for the purpose of paying the costs and expenses of the council and paying for the salaries and benefits of the state fair director and other council employees.

(2) On the date stated in the notification given to the State Treasurer under section 21 (3) of this 2013 Act as the date the State Fair Council is to assume care, custody and control over the conducting of the Oregon State Fair, the carrying out of fairground business operations and the operation of fairground properties and facilities, the State Treasurer shall issue a warrant payable to the State Fair Council in the amount of the unexpended balances of the Oregon State Fair Account and the State Fair Capital Project Fund. The council shall deposit the amounts to depository or investment accounts as described in section 9 of this 2013 Act. The council shall keep any amounts transferred from the State Fair Capital Project Fund in depository or investment accounts that are separate from accounts holding any other council moneys. Subject to any additional conditions imposed under the terms of the

bonds, the council may expend moneys transferred from the State Fair Capital Project Fund only for the construction, repair or remodeling of fairground properties and facilities.

SECTION 24. The State Fair Council assumption of the conducting of the Oregon State Fair, the carrying out of fairground business operations or the operation of fairground properties and facilities does not affect any action, proceeding or prosecution involving or with respect to the Oregon State Fair, fairground business operations or fairground properties or facilities pending at the time of the assumption, except that the State Fair Council is substituted for the State Parks and Recreation Department in the action, proceeding or prosecution.

SECTION 25. (1) Nothing in sections 2 to 13 of this 2013 Act, the amendments to ORS 279A.025, 279A.050, 291.055, 307.110, 390.134, 565.130, 565.150, 565.610, 565.620, 565.630 and 565.640 by sections 14 to 19 and 28 to 33 of this 2013 Act or the repeal of ORS 565.021, 565.030, 565.040, 565.050, 565.060, 565.080, 565.090, 565.095, 565.103, 565.107, 565.109, 565.114, 565.116, 565.120, 565.140, 565.160 and 565.170 by section 34 of this 2013 Act relieves a person of a liability, duty or obligation accruing under or with respect to the Oregon State Fair, fairground business operations or fairground properties and facilities. Any liability, duty or obligation accruing under or with respect to the Oregon State Fair, fairground business operations or fairground properties or facilities that is payable to the State Parks and Recreation Department and is remaining outstanding on the operative date established in an agreement described under section 7 (1) of this 2013 Act for the transfer of care, custody and control over the conducting of the Oregon State Fair, the carrying out of fairground business operations or the operation of fairground properties and facilities from the State Parks and Recreation Department to the State Fair Council is deemed to be payable to the State Fair Council instead of the department. The council may undertake the collection or enforcement of any such liability, duty or obligation.

(2) Except for obligations described in section 7 (2) of this 2013 Act, the rights and obligations of the State Parks and Recreation Department legally incurred under contracts, leases and business transactions relating to the Oregon State Fair, fairground business operations or fairground properties and facilities, entered into or begun before the transfer of care, custody and control over the conducting of the Oregon State Fair, the carrying out of fairground business operations or the operation of fairground properties and facilities to the State Fair Council, are deemed to be rights and obligations of the State Fair Council. For the purpose of succession to the rights and obligations, the State Fair Council is considered a continuation of the State Parks and Recreation Department and not a new entity.

SECTION 26. (1) The State Fair Advisory Committee is abolished. On the operative date specified in section 27 of this 2013 Act, the tenure of office of the members of the State Fair Advisory Committee ceases.

(2) The State Parks and Recreation Director shall deliver to the chairperson of the State Fair Council all records and property within the jurisdiction of the director that relate to the duties and functions of the State Fair Advisory Committee.

SECTION 27. Section 26 of this 2013 Act becomes operative January 1, 2014.

CONFORMING AMENDMENTS

SECTION 28. ORS 279A.025 is amended to read:

279A.025. (1) Except as provided in subsections (2) to (4) of this section, the Public Contracting Code applies to all public contracting.

(2) The Public Contracting Code does not apply to:

(a) Contracts between a contracting agency and:

(A) Another contracting agency;

(B) The Oregon Health and Science University;

(C) The Oregon State Bar;

- (D) A governmental body of another state;
- (E) The federal government;
- (F) An American Indian tribe or an agency of an American Indian tribe;
- (G) A nation, or a governmental body in a nation, other than the United States; or
- (H) An intergovernmental entity formed between or among:
 - (i) Governmental bodies of this or another state;
 - (ii) The federal government;
 - (iii) An American Indian tribe or an agency of an American Indian tribe;
 - (iv) A nation other than the United States; or
 - (v) A governmental body in a nation other than the United States;
- (b) Agreements authorized by ORS chapter 190 or by a statute, charter provision, ordinance or other authority for establishing agreements between or among governmental bodies or agencies or tribal governing bodies or agencies;
- (c) Insurance and service contracts as provided for under ORS 414.115, 414.125, 414.135 and 414.145 for purposes of source selection;
- (d) Grants;
- (e) Contracts for professional or expert witnesses or consultants to provide services or testimony relating to existing or potential litigation or legal matters in which a public body is or may become interested;
- (f) Acquisitions or disposals of real property or interest in real property;
- (g) Sole-source expenditures when rates are set by law or ordinance for purposes of source selection;
- (h) Contracts for the procurement or distribution of textbooks;
- (i) Procurements by a contracting agency from an Oregon Corrections Enterprises program;
- (j) The procurement, transportation or distribution of distilled liquor, as defined in ORS 471.001, or the appointment of agents under ORS 471.750 by the Oregon Liquor Control Commission;
- (k) Contracts entered into under ORS chapter 180 between the Attorney General and private counsel or special legal assistants;
- (L) Contracts for the sale of timber from lands owned or managed by the State Board of Forestry and the State Forestry Department;
- (m) Contracts for forest protection or forest related activities, as described in ORS 477.406, by the State Forester or the State Board of Forestry;
- [(n)] *Sponsorship agreements entered into by the State Parks and Recreation Director in accordance with ORS 565.080 (4);*
- [(o)] **(n)** Contracts entered into by the Housing and Community Services Department in exercising the department's duties prescribed in ORS chapters 456 and 458, except that the department's public contracting for goods and services is subject to ORS chapter 279B;
- [(p)] **(o)** Contracts entered into by the State Treasurer in exercising the powers of that office prescribed in ORS chapters 178, 286A, 287A, 289, 293, 294 and 295, including but not limited to investment contracts and agreements, banking services, clearing house services and collateralization agreements, bond documents, certificates of participation and other debt repayment agreements, and any associated contracts, agreements and documents, regardless of whether the obligations that the contracts, agreements or documents establish are general, special or limited, except that the State Treasurer's public contracting for goods and services is subject to ORS chapter 279B;
- [(q)] **(p)** Contracts, agreements or other documents entered into, issued or established in connection with:
 - (A) The issuance of obligations, as defined in ORS 286A.100 and 287A.310, of a public body;
 - (B) The making of program loans and similar extensions or advances of funds, aid or assistance by a public body to a public or private body for the purpose of carrying out, promoting or sustaining activities or programs authorized by law; or

(C) The investment of funds by a public body as authorized by law, and other financial transactions of a public body that by their character cannot practically be established under the competitive contractor selection procedures of ORS 279B.050 to 279B.085;

[(r)] (q) Contracts for employee benefit plans as provided in ORS 243.105 (1), 243.125 (4), 243.221, 243.275, 243.291, 243.303 and 243.565;

[(s)] (r) Contracts for employee benefit plans as provided in ORS 243.860 to 243.886; or

[(t)] (s) Any other public contracting of a public body specifically exempted from the code by another provision of law.

(3) The Public Contracting Code does not apply to the contracting activities of:

(a) The Oregon State Lottery Commission;

(b) The Oregon University System and member public universities, except as provided in ORS 351.086;

(c) The legislative department;

(d) The judicial department;

(e) Semi-independent state agencies listed in ORS 182.454, except as provided in ORS 279.835 to 279.855 and 279A.250 to 279A.290;

(f) Oregon Corrections Enterprises;

(g) The Oregon Film and Video Office, except as provided in ORS 279A.100 and 279A.250 to 279A.290;

(h) The Travel Information Council, except as provided in ORS 279A.250 to 279A.290;

(i) The Oregon 529 College Savings Network and the Oregon 529 College Savings Board;

(j) The Oregon Innovation Council;

(k) The Oregon Utility Notification Center; or

(L) Any other public body specifically exempted from the code by another provision of law.

(4) ORS 279A.200 to 279A.225 and 279B.050 to 279B.085 do not apply to contracts made with qualified nonprofit agencies providing employment opportunities for individuals with disabilities under ORS 279.835 to 279.855.

SECTION 29. ORS 279A.050 is amended to read:

279A.050. (1)(a) Except as otherwise provided in the Public Contracting Code, a contracting agency shall exercise all procurement authority in accordance with the provisions of the Public Contracting Code.

(b) When a contracting agency has authority under this section to carry out functions described in this section, or has authority to make procurements under a provision of law other than the Public Contracting Code, the contracting agency is not required to exercise that authority in accordance with the provisions of the code if, under ORS 279A.025, the code does not apply to the contract or contracting authority.

(2) Except as otherwise provided in the Public Contracting Code, for state agencies the Director of the Oregon Department of Administrative Services has all the authority to carry out the provisions of the Public Contracting Code.

(3) Except as otherwise provided in the Public Contracting Code, the Director of Transportation has all the authority to:

(a) Procure or supervise the procurement of all services and personal services to construct, acquire, plan, design, maintain and operate passenger terminal facilities and motor vehicle parking facilities in connection with any public transportation system in accordance with ORS 184.689 (5);

(b) Procure or supervise the procurement of all goods, services, public improvements and personal services relating to the operation, maintenance or construction of highways, bridges and other transportation facilities that are subject to the authority of the Department of Transportation; and

(c) Establish standards for, prescribe forms for and conduct the prequalification of prospective bidders on public improvement contracts related to the operation, maintenance or construction of highways, bridges and other transportation facilities that are subject to the authority of the Department of Transportation.

(4) Except as otherwise provided in the Public Contracting Code, the Secretary of State has all the authority to procure or supervise the procurement of goods, services and personal services related to programs under the authority of the Secretary of State.

(5) Except as otherwise provided in the Public Contracting Code, the State Treasurer has all the authority to procure or supervise the procurement of goods, services and personal services related to programs under the authority of the State Treasurer.

(6) The state agencies listed in this subsection have all the authority to do the following in accordance with the Public Contracting Code:

(a) The Department of Human Services to procure or supervise the procurement of goods, services and personal services under ORS 179.040 for the department's institutions and the procurement of goods, services and personal services for the construction, demolition, exchange, maintenance, operation and equipping of housing for the purpose of providing care to individuals with intellectual disabilities or other developmental disabilities, subject to applicable provisions of ORS 427.335;

(b) The Oregon Health Authority to procure or supervise the procurement of goods, services and personal services under ORS 179.040 and construction materials, equipment and supplies for the authority's institutions and the procurement of goods, services, personal services, construction materials, equipment and supplies for the construction, demolition, exchange, maintenance, operation and equipping of housing for persons with chronic mental illness, subject to applicable provisions of ORS 426.504;

(c) The State Department of Fish and Wildlife to procure or supervise the procurement of construction materials, equipment, supplies, services and personal services for public improvements, public works or ordinary construction described in ORS 279C.320 that is subject to the authority of the State Department of Fish and Wildlife;

(d) The State Parks and Recreation Department to procure or supervise the procurement of all goods, services, public improvements and personal services relating to state parks;

(e) The Oregon Department of Aviation to procure or supervise the procurement of construction materials, equipment, supplies, services and personal services for public improvements, public works or ordinary construction described in ORS 279C.320 that is subject to the authority of the Oregon Department of Aviation;

(f) The Oregon Business Development Department to procure or supervise the procurement of all goods, services, personal services and public improvements related to its foreign trade offices operating outside the state;

(g) The Housing and Community Services Department to procure or supervise the procurement of goods, services and personal services as provided in ORS 279A.025 [(2)(o)] (2)(n);

(h) The Department of Corrections to procure or supervise the procurement of construction materials, equipment, supplies, services and personal services for public improvements, public works or ordinary construction described in ORS 279C.320 that is subject to the authority of the Department of Corrections;

(i) The Department of Corrections, subject to any applicable provisions of ORS 279A.120, 279A.125, 279A.145 and 283.110 to 283.395, to procure or supervise the procurement of goods, services and personal services under ORS 179.040 for its institutions;

(j) The Department of Veterans' Affairs to procure or supervise the procurement of real estate broker and principal real estate broker services related to programs under the department's authority;

(k) The Oregon Military Department to procure or supervise the procurement of construction materials, equipment, supplies, services and personal services for public improvements, public works or ordinary construction described in ORS 279C.320 that is subject to the authority of the Oregon Military Department;

(L) The Department of Education, subject to any applicable provisions of ORS 329.075, 329.085 and 329.485 and the federal No Child Left Behind Act of 2001 (P.L. 107-110, 115 Stat. 1425), to procure or supervise the procurement of goods, services, personal services and information technology relating to student assessment; and

(m) Any state agency to conduct a procurement when the agency is specifically authorized by any provision of law other than the Public Contracting Code to enter into a contract.

(7) Notwithstanding this section and ORS 279A.140 (1), the Director of the Oregon Department of Administrative Services has exclusive authority, unless the director delegates this authority, to procure or supervise the procurement of all price agreements on behalf of the state agencies identified in subsection (6)(a) to (k) of this section under which more than one state agency may order goods, services or personal services and, except for contracts procured by the Oregon Health Authority, all state agency information technology contracts. This subsection does not apply to contracts under which the contractor delivers to the state agency information technology products or services incidental to the performance of personal services contracts described in ORS chapter 279C or construction contracts described in ORS chapter 279C. A state agency identified in subsection (3) or (6)(a) to (k) of this section may not establish a price agreement or enter into a contract for goods, services, personal services, construction materials, equipment or supplies without the approval of the director if the director has established a price agreement for the goods, services or personal services.

SECTION 30. ORS 291.055 is amended to read:

291.055. (1) Notwithstanding any other law that grants to a state agency the authority to establish fees, all new state agency fees or fee increases adopted during the period beginning on the date of adjournment sine die of a regular session of the Legislative Assembly and ending on the date of adjournment sine die of the next regular session of the Legislative Assembly:

(a) Are not effective for agencies in the executive department of government unless approved in writing by the Director of the Oregon Department of Administrative Services;

(b) Are not effective for agencies in the judicial department of government unless approved in writing by the Chief Justice of the Supreme Court;

(c) Are not effective for agencies in the legislative department of government unless approved in writing by the President of the Senate and the Speaker of the House of Representatives;

(d) Shall be reported by the state agency to the Oregon Department of Administrative Services within 10 days of their adoption; and

(e) Are rescinded on adjournment sine die of the next regular session of the Legislative Assembly as described in this subsection, unless otherwise authorized by enabling legislation setting forth the approved fees.

(2) This section does not apply to:

(a) Any tuition or fees charged by the State Board of Higher Education and the public universities listed in ORS 352.002.

(b) Taxes or other payments made or collected from employers for unemployment insurance required by ORS chapter 657 or premium assessments required by ORS 656.612 and 656.614 or contributions and assessments calculated by cents per hour for workers' compensation coverage required by ORS 656.506.

(c) Fees or payments required for:

(A) Health care services provided by the Oregon Health and Science University, by the Oregon Veterans' Homes and by other state agencies and institutions pursuant to ORS 179.610 to 179.770.

(B) Assessments and premiums paid to the Oregon Medical Insurance Pool established by ORS 735.614 and 735.625.

(C) Copayments and premiums paid to the Oregon medical assistance program.

(D) Assessments paid to the Department of Consumer and Business Services under ORS 743.951 and 743.961.

(d) Fees created or authorized by statute that have no established rate or amount but are calculated for each separate instance for each fee payer and are based on actual cost of services provided.

(e) State agency charges on employees for benefits and services.

(f) Any intergovernmental charges.

(g) Forest protection district assessment rates established by ORS 477.210 to 477.265 and the Oregon Forest Land Protection Fund fees established by ORS 477.760.

(h) State Department of Energy assessments required by ORS 469.421 (8) and 469.681.

[(i) Any charges established by the State Parks and Recreation Director in accordance with ORS 565.080 (3).]

[(j) (i) Assessments on premiums charged by the Department of Consumer and Business Services pursuant to ORS 731.804 or fees charged by the Division of Finance and Corporate Securities of the Department of Consumer and Business Services to banks, trusts and credit unions pursuant to ORS 706.530 and 723.114.

[(k) (j) Public Utility Commission operating assessments required by ORS 756.310 or charges paid to the Residential Service Protection Fund required by chapter 290, Oregon Laws 1987.

[(L) (k) Fees charged by the Housing and Community Services Department for intellectual property pursuant to ORS 456.562.

[(m) (L) New or increased fees that are anticipated in the legislative budgeting process for an agency, revenues from which are included, explicitly or implicitly, in the legislatively adopted budget or the legislatively approved budget for the agency.

[(n) (m) Tolls approved by the Oregon Transportation Commission pursuant to ORS 383.004.

[(o) (n) Convenience fees as defined in ORS 182.126 and established by the Oregon Department of Administrative Services under ORS 182.132 (3) and recommended by the Electronic Government Portal Advisory Board.

(3)(a) Fees temporarily decreased for competitive or promotional reasons or because of unexpected and temporary revenue surpluses may be increased to not more than their prior level without compliance with subsection (1) of this section if, at the time the fee is decreased, the state agency specifies the following:

(A) The reason for the fee decrease; and

(B) The conditions under which the fee will be increased to not more than its prior level.

(b) Fees that are decreased for reasons other than those described in paragraph (a) of this subsection may not be subsequently increased except as allowed by ORS 291.050 to 291.060 and 294.160.

SECTION 31. ORS 307.110 is amended to read:

307.110. (1) Except as provided in ORS 307.120, all real and personal property of this state or any institution or department thereof or of any county or city, town or other municipal corporation or political subdivision of this state, held under a lease or other interest or estate less than a fee simple, by any person whose real property, if any, is taxable, except employees of the state, municipality or political subdivision as an incident to such employment, shall be subject to assessment and taxation for the assessed or specially assessed value thereof uniformly with real property of nonexempt ownerships.

(2) Each leased or rented premises not exempt under ORS 307.120 and subject to assessment and taxation under this section which is located on property used as an airport and owned by and serving a municipality or port shall be separately assessed and taxed.

(3) Nothing contained in this section shall be construed as subjecting to assessment and taxation any publicly owned property described in subsection (1) of this section that is:

(a) Leased for student housing by a school or college to students attending such a school or college.

(b) Leased to or rented by persons, other than sublessees or subrenters, for agricultural or grazing purposes and for other than a cash rental or a percentage of the crop.

(c) Utilized by persons under a land use permit issued by the Department of Transportation for which the department's use restrictions are such that only an administrative processing fee is able to be charged.

(d) County fairgrounds and the buildings thereon, in a county holding annual county fairs, managed by the county fair board under ORS 565.230, if utilized, in addition to county fair use, for any of the purposes described in ORS 565.230 (2), or for horse stalls or storage for recreational vehicles or farm machinery or equipment.

(e) The properties and grounds managed and operated by the State [*Parks and Recreation Director under ORS 565.080*] **Fair Council under ORS chapter 565**, if utilized, in addition to the purpose of holding the Oregon State Fair, for horse stalls or for storage for recreational vehicles or farm machinery or equipment.

(f) State property that is used by the Oregon University System or the Oregon Health and Science University to provide parking for employees, students or visitors.

(g) Property of a housing authority created under ORS chapter 456 which is leased or rented to persons of lower income for housing pursuant to the public and governmental purposes of the housing authority. For purposes of this paragraph, "persons of lower income" has the meaning given the phrase under ORS 456.055.

(h) Property of a health district if:

(A) The property is leased or rented for the purpose of providing facilities for health care practitioners practicing within the county; and

(B) The county is a frontier rural practice county under rules adopted by the Office of Rural Health.

(4) Property determined to be an eligible project for tax exemption under ORS 285C.600 to 285C.626 and 307.123 that was acquired with revenue bonds issued under ORS 285B.320 to 285B.371 and that is leased by this state, any institution or department thereof or any county, city, town or other municipal corporation or political subdivision of this state to an eligible applicant shall be assessed and taxed in accordance with ORS 307.123. The property's continued eligibility for taxation and assessment under ORS 307.123 is not affected:

(a) If the eligible applicant retires the bonds prior to the original dates of maturity; or

(b) If any applicable lease or financial agreement is terminated prior to the original date of expiration.

(5) The provisions of law for liens and the payment and collection of taxes levied against real property of nonexempt ownerships shall apply to all real property subject to the provisions of this section. Taxes remaining unpaid upon the termination of a lease or other interest or estate less than a fee simple, shall remain a lien against the real or personal property.

(6) If the state enters into a lease of property with, or grants an interest or other estate less than a fee simple in property to, a person whose real property, if any, is taxable, then within 30 days after the date of the lease, or within 30 days after the date the interest or estate less than a fee simple is created, the state shall file a copy of the lease or other instrument creating or evidencing the interest or estate with the county assessor. This section applies notwithstanding that the property may otherwise be entitled to an exemption under this section, ORS 307.120 or as otherwise provided by law.

SECTION 32. ORS 390.134, as amended by section 24, chapter 107, Oregon Laws 2012, is amended to read:

390.134. (1) As used in this section:

(a) "Camper" has the meaning given that term in ORS 801.180.

(b) "County" includes a metropolitan service district organized under ORS chapter 268, but only to the extent that the district has acquired, through title transfer, and is operating a park or recreation site of a county pursuant to an intergovernmental agreement.

(c) "Motor home" has the meaning given that term in ORS 801.350.

(d) "Travel trailer" has the meaning given that term in ORS 801.565.

(2) The State Parks and Recreation Department Fund is established separate and distinct from the General Fund. Moneys in the fund are continuously appropriated to the State Parks and Recreation Department for the purposes provided by law. The fund shall consist of the following:

(a) All moneys placed in the fund as provided by law. Any interest or other income derived from the depositing or other investing of the fund must be credited to the fund.

(b) All registration fees received by the Department of Transportation for campers, motor homes and travel trailers that are transferred to the fund under ORS 366.512. The funds must be deposited in a separate subaccount established under subsection (3) of this section.

(c) Revenue from charges pursuant to ORS 390.124.

(3) Any moneys placed in the fund for a particular purpose may be placed in a separate subaccount within the fund. Each separate subaccount established under this subsection must be separately accounted for. Moneys placed in a subaccount must be used for the purposes for which they are deposited.

(4) All of the moneys in the fund except those moneys described in subsection (3), (5), (6), (7), (8) or (9) of this section must be deposited in a separate subaccount within the fund and used by the State Parks and Recreation Department for the acquisition, development, maintenance, care and use of park and recreation sites [*and for the maintenance and operation of the Oregon State Fair*]. The moneys deposited in the subaccount under this subsection must be accounted for separately and stated separately in the State Parks and Recreation Department's biennial budget.

(5)(a) Thirty-five percent of the amount transferred to the State Parks and Recreation Department under ORS 366.512 from the registration of travel trailers, campers and motor homes and under ORS 803.601 from recreational vehicle trip permits must be deposited in a separate subaccount within the fund to be distributed for the acquisition, development, maintenance, care and use of county park and recreation sites. The moneys deposited in the subaccount under this paragraph must be accounted for separately. The following apply to the distribution of moneys under this paragraph:

(A) The moneys must be distributed among the several counties for the purposes described in this paragraph. The distribution shall be made at times determined by the State Parks and Recreation Department but must be made not less than once a year.

(B) The sums designated under this paragraph must be remitted to the county treasurers of the several counties by warrant.

(b) The department shall establish an advisory committee to advise the department in the performance of its duties under this subsection. The composition of the advisory committee under this subsection is as determined by the department by rule. In determining the composition of the advisory committee, the department shall attempt to provide reasonable representation for county officials or employees with responsibilities relating to county parks and recreation sites.

(c) The department, by rule, shall establish a program to provide moneys to counties for the acquisition, development, maintenance, care and use of county park and recreation sites. The rules under this paragraph shall provide for distribution of moneys based on use and need and, as the department determines necessary, on the need for the development and maintenance of facilities to provide camping sites for campers, motor homes and travel trailers.

(6) The department shall create a separate City and County Subaccount within the fund to be used to reimburse cities and counties as provided in ORS 390.290.

(7) The department shall create a separate rural Fire Protection District Subaccount to be used to provide funds for the fire protection districts as provided in ORS 390.290.

(8) Twelve percent of the amount transferred to the State Parks and Recreation Department Fund from the Parks Subaccount shall be used only to carry out the purposes and achievements described in ORS 390.135 (2) and (3) through the awarding of grants to regional or local government entities to acquire property for public parks, natural areas or outdoor recreation areas or to develop or improve public parks, natural areas or outdoor recreation areas. Moneys described in this subsection may not be used to pay the cost of administering grants or the cost of any Secretary of State audit required under section 4c, Article XV of the Oregon Constitution.

(9) If the amount transferred to the State Parks and Recreation Department Fund from the Parks Subaccount during a biennium is more than 150 percent of the amount that was transferred during the 2009-2011 biennium, the State Treasurer shall, during the next following biennium, deposit for use as described in subsection (8) of this section the amount required under subsection (8) of this section plus an amount equal to the difference between the amount deposited for use as described in subsection (8) of this section during the preceding biennium and 25 percent of the moneys transferred to the State Parks and Recreation Department Fund from the Parks Subaccount during the preceding biennium.

(10) Subsections (8) and (9) of this section apply only for biennia in which the Legislative Assembly does not require a greater percentage of the amount transferred to the State Parks and Recreation Department Fund from the Parks Subaccount to be used for the purposes described in subsection (8) of this section. The Legislative Assembly may not authorize the percentage of the amount transferred to the State Parks and Recreation Department Fund from the Parks Subaccount that is deposited for use as described in subsection (8) of this section in a biennium to be less than the percentage required to be deposited under subsections (8) and (9) of this section.

(11) On or before January 15 of each odd-numbered year, the director shall submit a report to the Joint Committee on Ways and Means created by ORS 171.555, or the Joint Interim Committee on Ways and Means, that describes the measurable biennial and cumulative results of activities and programs financed by moneys transferred to the State Parks and Recreation Department Fund from the Parks Subaccount. Notwithstanding ORS 192.230 to 192.250, the director shall make the report in a form and manner as the committee may prescribe.

SECTION 33. ORS 390.134, as amended by section 2, chapter 792, Oregon Laws 2007, section 47, chapter 11, Oregon Laws 2009, section 5, chapter 643, Oregon Laws 2011, and section 25, chapter 107, Oregon Laws 2012, is amended to read:

390.134. (1) As used in this section:

(a) "Camper" has the meaning given that term in ORS 801.180.

(b) "County" includes a metropolitan service district organized under ORS chapter 268, but only to the extent that the district has acquired, through title transfer, and is operating a park or recreation site of a county pursuant to an intergovernmental agreement.

(c) "Motor home" has the meaning given that term in ORS 801.350.

(d) "Travel trailer" has the meaning given that term in ORS 801.565.

(2) The State Parks and Recreation Department Fund is established separate and distinct from the General Fund. Moneys in the fund are continuously appropriated to the State Parks and Recreation Department for the purposes provided by law. The fund shall consist of the following:

(a) All moneys placed in the fund as provided by law. Any interest or other income derived from the depositing or other investing of the fund must be credited to the fund.

(b) All registration fees received by the Department of Transportation for campers, motor homes and travel trailers that are transferred to the fund under ORS 366.512. The funds must be deposited in a separate subaccount established under subsection (3) of this section.

(c) Revenue from charges pursuant to ORS 390.124.

(3) Any moneys placed in the fund for a particular purpose may be placed in a separate subaccount within the fund. Each separate subaccount established under this subsection must be separately accounted for. Moneys placed in a subaccount must be used for the purposes for which they are deposited.

(4) All of the moneys in the fund except those moneys described in subsection (3), (5), (6), (7), (8) or (9) of this section must be deposited in a separate subaccount within the fund and used by the State Parks and Recreation Department for the acquisition, development, maintenance, care and use of park and recreation sites [*and for the maintenance and operation of the Oregon State Fair*]. The moneys deposited in the subaccount under this subsection must be accounted for separately and stated separately in the State Parks and Recreation Department's biennial budget.

(5)(a) Thirty percent of the amount transferred to the State Parks and Recreation Department under ORS 366.512 from the registration of travel trailers, campers and motor homes and under ORS 803.601 from recreational vehicle trip permits must be deposited in a separate subaccount within the fund to be distributed for the acquisition, development, maintenance, care and use of county park and recreation sites. The moneys deposited in the subaccount under this paragraph must be accounted for separately. The following apply to the distribution of moneys under this paragraph:

(A) The moneys must be distributed among the several counties for the purposes described in this paragraph. The distribution shall be made at times determined by the State Parks and Recreation Department but must be made not less than once a year.

(B) The sums designated under this paragraph must be remitted to the county treasurers of the several counties by warrant.

(b) The department shall establish an advisory committee to advise the department in the performance of its duties under this subsection. The composition of the advisory committee under this subsection is as determined by the department by rule. In determining the composition of the advisory committee, the department shall attempt to provide reasonable representation for county officials or employees with responsibilities relating to county parks and recreation sites.

(c) The department, by rule, shall establish a program to provide moneys to counties for the acquisition, development, maintenance, care and use of county park and recreation sites. The rules under this paragraph shall provide for distribution of moneys based on use and need and, as the department determines necessary, on the need for the development and maintenance of facilities to provide camping sites for campers, motor homes and travel trailers.

(6) The department shall create a separate City and County Subaccount within the fund to be used to reimburse cities and counties as provided in ORS 390.290.

(7) The department shall create a separate rural Fire Protection District Subaccount to be used to provide funds for the fire protection districts as provided in ORS 390.290.

(8) Twelve percent of the amount transferred to the State Parks and Recreation Department Fund from the Parks Subaccount shall be used only to carry out the purposes and achievements described in ORS 390.135 (2) and (3) through the awarding of grants to regional or local government entities to acquire property for public parks, natural areas or outdoor recreation areas or to develop or improve public parks, natural areas or outdoor recreation areas. Moneys described in this subsection may not be used to pay the cost of administering grants or the cost of any Secretary of State audit required under section 4c, Article XV of the Oregon Constitution.

(9) If the amount transferred to the State Parks and Recreation Department Fund from the Parks Subaccount during a biennium is more than 150 percent of the amount that was transferred during the 2009-2011 biennium, the State Treasurer shall, during the next following biennium, deposit for use as described in subsection (8) of this section the amount required under subsection (8) of this section plus an amount equal to the difference between the amount deposited for use as described in subsection (8) of this section during the preceding biennium and 25 percent of the moneys transferred to the State Parks and Recreation Department Fund from the Parks Subaccount during the preceding biennium.

(10) Subsections (8) and (9) of this section apply only for biennia in which the Legislative Assembly does not require a greater percentage of the amount transferred to the State Parks and Recreation Department Fund from the Parks Subaccount to be used for the purposes described in subsection (8) of this section. The Legislative Assembly may not authorize the percentage of the amount transferred to the State Parks and Recreation Department Fund from the Parks Subaccount that is deposited for use as described in subsection (8) of this section in a biennium to be less than the percentage required to be deposited under subsections (8) and (9) of this section.

(11) On or before January 15 of each odd-numbered year, the director shall submit a report to the Joint Committee on Ways and Means created by ORS 171.555, or the Joint Interim Committee on Ways and Means, that describes the measurable biennial and cumulative results of activities and programs financed by moneys transferred to the State Parks and Recreation Department Fund from the Parks Subaccount. Notwithstanding ORS 192.230 to 192.250, the director shall make the report in a form and manner as the committee may prescribe.

REPEALS

SECTION 34. (1) **ORS 565.021, 565.030, 565.040, 565.050, 565.060, 565.080, 565.090, 565.095, 565.103, 565.107, 565.109, 565.114, 565.116, 565.120, 565.140, 565.160 and 565.170 are repealed.**

(2) **The repeal of ORS 565.021, 565.030, 565.040, 565.050, 565.060, 565.080, 565.090, 565.095, 565.103, 565.107, 565.109, 565.114, 565.116, 565.120, 565.140, 565.160 and 565.170 by subsection (1) of this section becomes operative on the earlier of:**

(a) The date established in an agreement described under section 7 (1) of this 2013 Act for the transfer of care, custody and control over the conducting of the Oregon State Fair, the carrying out of fairground business operations and the operation of fairground properties and facilities from the State Parks and Recreation Department to the State Fair Council; or
(b) December 31, 2015.

CAPTIONS

SECTION 35. 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

SECTION 36. 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 Senate June 6, 2013

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Robert Taylor, Secretary of Senate

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Peter Courtney, President of Senate

Passed by House June 19, 2013

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Tina Kotek, Speaker of House

Received by Governor:

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

Approved:

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

.....
John Kitzhaber, Governor

Filed in Office of Secretary of State:

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

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Kate Brown, Secretary of State