

**PROPOSED AMENDMENTS TO  
SENATE BILL 247**

1 On page 1 of the printed bill, line 2, after “367.080” insert “, 367.086,  
2 461.510 and 461.540”.

3 Delete lines 5 through 27 and delete pages 2 and 3 and insert:

4 **“SECTION 1.** ORS 461.510 is amended to read:

5 “461.510. (1) All money payable to the **Oregon State Lottery** Commission  
6 shall be deposited in a fund **created under ORS 461.530 and** known as the  
7 **Oregon** State Lottery Fund. The **Oregon** State Lottery Fund shall receive  
8 all proceeds from the sale of lottery tickets or shares, the temporary loan for  
9 initial start-up costs and all other moneys credited to the Oregon State  
10 Lottery from any other lottery-related source. The **Oregon** State Lottery  
11 Fund is continuously appropriated **to the Director of the Oregon State**  
12 **Lottery** for the purpose of administering and operating the commission and  
13 the state lottery.

14 “(2) Disbursements shall be made from the **Oregon** State Lottery Fund for  
15 any of the following purposes:

16 “(a) The payment of prizes to the holders of valid winning lottery tickets  
17 or shares;

18 “(b) Expenses of the commission and the state lottery;

19 “(c) Repayment of any funds advanced from the temporary loan for initial  
20 start-up costs and the interest on any such funds advanced; and

21 “[*d*] *Transfer of funds from the State Lottery Fund to the benefit of the*  
22 *public purpose described in section 4, Article XV of the Constitution of the*

1 *State of Oregon.]*

2 **“(d) Transfer of the net proceeds from the Oregon State Lottery**  
3 **from the Oregon State Lottery Fund to the Administrative Services**  
4 **Economic Development Fund established in ORS 461.540 for the public**  
5 **purposes described in Article XV, section 4, of the Oregon Constitu-**  
6 **tion.**

7 “(3) As nearly as practical, at least 50 percent of the total projected rev-  
8 enue, computed on a year-round basis, accruing from the sales of all state  
9 lottery tickets or shares shall be apportioned for payment of prizes.

10 “(4) Expenses of the state lottery shall include all costs incurred in the  
11 operation and administration of the state lottery and all costs resulting from  
12 any contracts entered into for the purchase or lease of goods or services re-  
13 quired by the commission including, but not limited to, the costs of supplies,  
14 materials, tickets, independent audit services, independent studies, data  
15 transmission, advertising, promotion, incentives, public relations, communi-  
16 cations, compensation paid to lottery game retailers, bonding for lottery  
17 game retailers, printing, distribution of tickets and shares, reimbursing other  
18 governmental entities for services provided to the state lottery, transfers to  
19 a contingency reserve, and for any other goods and services necessary for  
20 effectuating the purposes of this chapter. No more than 16 percent of the  
21 total annual revenues accruing from the sale of all lottery tickets and shares  
22 from all lottery games shall be allocated for the payment of the expenses of  
23 the state lottery. The commission shall determine the amount necessary for  
24 a reasonable contingency reserve within the amount allocated for payment  
25 of expenses.

26 “(5) The state lottery shall pay all prizes and all of its expenses out of  
27 the revenues it receives from the sale of tickets and shares to the public and  
28 turn over the net proceeds therefrom to a fund to be established by the  
29 Legislative Assembly from which the Legislative Assembly shall make ap-  
30 propriations for the benefit of the public [*purpose described in section 4, Ar-*

1 *ticle XV of the Constitution of the State of Oregon]* **purposes described in**  
2 **Article XV, section 4, of the Oregon Constitution.**

3 “(6) Moneys in the **Oregon** State Lottery Fund may be invested as pro-  
4 vided in ORS 293.701 to 293.820. Interest earned by the fund shall be credited  
5 to the fund.

6 **“SECTION 2.** ORS 461.540 is amended to read:

7 “461.540. (1) There is established in the General Fund of the State Treas-  
8 ury the Administrative Services Economic Development Fund. All moneys  
9 transferred **pursuant to ORS 461.510** from the **Oregon** State Lottery Fund,  
10 interest earnings credited to this fund and other moneys authorized to be  
11 transferred to this fund from whatever source are appropriated continuously  
12 **to the Oregon Department of Administrative Services** for any of the  
13 following public purposes:

14 “(a) Creating jobs;

15 “(b) Furthering economic development [*in Oregon; or*];

16 “(c) Financing public education **in Oregon; or**

17 **“(d) Restoring and protecting Oregon’s parks, beaches, watersheds**  
18 **and native fish and wildlife.**

19 “[*(2) Moneys shall be transferred from the Administrative Services Eco-*  
20 *nomic Development Fund to:*]

21 “[*(a) The Education Stability Fund established under ORS 348.696 as de-*  
22 *scribed in section 4, Article XV of the Oregon Constitution; and*]

23 “[*(b) The School Capital Matching Fund established under ORS 286A.806*  
24 *as described in section 4, Article XI-P of the Oregon Constitution.*]

25 **“(2) Subject to subsection (3) of this section, for the benefit of the**  
26 **public purposes described in Article XV, section 4, Oregon Constitu-**  
27 **tion:**

28 **“(a) Up to 18 percent of the net proceeds from the state lottery must**  
29 **be transferred, as required by Article XV, section 4 (4)(d) and (5),**  
30 **Oregon Constitution, to:**

1       **“(A) The Education Stability Fund established in ORS 348.696 pur-**  
2 **suant to Article XV, section 4, Oregon Constitution; and**

3       **“(B) The School Capital Matching Fund established in ORS 286A.806**  
4 **pursuant to Article XI-P, section 4, Oregon Constitution; and**

5       **“(b) Fifteen percent of the net proceeds from the state lottery must**  
6 **be transferred as required by Article XV, section 4 (8), Oregon Con-**  
7 **stitution, to the Parks and Natural Resources Fund established in ORS**  
8 **541.940 pursuant to Article XV, section 4, Oregon Constitution.**

9       **“(3) Pursuant to Article XV, section 4 (4)(d), Oregon Constitution,**  
10 **the transfer of moneys from the Administrative Services Economic**  
11 **Development Fund, including transfers described in subsection (2) of**  
12 **this section, may be made only after payment or satisfaction of:**

13       **“(a) All liens, pledges and other obligations relating to lottery bonds**  
14 **or refunding lottery bonds issued under ORS 286A.560 to 286A.585 as**  
15 **they become due or payable; and**

16       **“(b) Amounts required by any other pledges of, or liens on, net**  
17 **proceeds from the state lottery.**

18       **“(4) In each biennium beginning on or after July 1, 2013, the Oregon**  
19 **Department of Administrative Services shall transfer from the Ad-**  
20 **ministrative Services Economic Development Fund to the Multimodal**  
21 **Transportation Fund established under ORS 367.080 an amount equal**  
22 **to nine percent of the net proceeds from the state lottery transferred**  
23 **from the Oregon State Lottery Fund pursuant to ORS 461.510 (2)(d).**

24       **“(5) In each biennium beginning on or after July 1, 2013, the Oregon**  
25 **Department of Administrative Services shall transfer from the Ad-**  
26 **ministrative Services Economic Development Fund to the Alternative**  
27 **Mode Transportation Fund established under section 5 of this 2013 Act**  
28 **an amount equal to nine percent of the net proceeds from the state**  
29 **lottery transferred from the Oregon State Lottery Fund pursuant to**  
30 **ORS 461.510 (2)(d).**

1        “[3] (6) As used in this section and [section 4,] Article XV, **section 4,**  
2 [of the] Oregon Constitution:

3        “(a) ‘Creating jobs’ includes, but is not limited to:

4        “(A) Supporting the creation of new jobs in Oregon;

5        “(B) Helping prevent the loss of existing jobs in Oregon;

6        “(C) Assisting with work transition to new jobs in Oregon; or

7        “(D) Training or retraining workers.

8        “(b) ‘Education’ includes, but is not limited to, [*the Education Stability*  
9 *Fund established under ORS 348.696 and*] specific programs that support the  
10 following:

11       “(A) Prekindergartens;

12       “(B) Elementary and secondary schools;

13       “(C) Community colleges;

14       “(D) Higher education;

15       “(E) Continuing education;

16       “(F) Workforce training and education programs; or

17       “(G) Financial assistance to Oregon students.

18       “(c) ‘Furthering economic development’ includes, but is not limited to,  
19 providing:

20       “(A) Services or financial assistance to for-profit and nonprofit businesses  
21 located or to be located in Oregon;

22       “(B) Services or financial assistance to business or industry associations  
23 to promote, expand or prevent the decline of their businesses; or

24       “(C) Services or financial assistance for facilities, physical environments  
25 or development projects, as defined in ORS 285B.410, that benefit Oregon’s  
26 economy.

27       **“SECTION 3. The Legislative Assembly finds that use of net pro-**  
28 **ceeds from the Oregon State Lottery to finance transportation**  
29 **projects, described in ORS 367.080 and section 5 of this 2013 Act, pur-**  
30 **suant to ORS 461.540 is essential to furthering economic development**

1 of this state, and the use of net lottery proceeds is authorized based  
2 on the following findings:

3 “(1) There is an urgent need to improve and expand publicly owned  
4 and privately owned transportation infrastructure to support economic  
5 development in this state.

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

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

10 “(4) Local governments and private sector businesses often lack  
11 capital and the technical capacity to undertake multimodal transpor-  
12 tation projects.

13 “(5) Public financial assistance can stimulate industrial growth and  
14 commercial enterprise and promote employment opportunities in this  
15 state.

16 “(6) Public investment in transportation infrastructure will create  
17 jobs and further economic development in this state.

18 “(7) The use of lottery proceeds as provided in this section will  
19 create jobs, further economic development, finance public education  
20 or restore and protect parks, beaches, watersheds and native fish and  
21 wildlife within this state, and the use of lottery proceeds for the pur-  
22 pose described in this section is therefore an appropriate use of state  
23 lottery funds under Article XV, section 4, of the Oregon Constitution,  
24 and ORS 461.510.

25 “SECTION 4. Section 3 of this 2013 Act applies to proceeds derived  
26 from the operation of the Oregon State Lottery in the 2013-2015  
27 biennium and subsequent biennia.

28 “SECTION 5. (1) As used in this section:

29 “(a) ‘Public body’ has the meaning given that term in ORS 174.109.

30 “(b) ‘Transportation project’ has the meaning given that term in

1 **ORS 367.010.**

2 **“(2) The Alternative Mode Transportation Fund is established sep-**  
3 **arate and distinct from the General Fund. Earnings on moneys in the**  
4 **Alternative Mode Transportation Fund shall be deposited into the**  
5 **fund. Moneys in the fund are continuously appropriated to the De-**  
6 **partment of Transportation for the purposes described in this section.**

7 **“(3) The department shall use moneys in the fund to provide grants**  
8 **and loans for transportation projects as provided in this section to**  
9 **public bodies and to private entities. Grants and loans may be provided**  
10 **only for projects that involve one or more of the following modes of**  
11 **transportation:**

12 **“(a) Public transit;**

13 **“(b) Passenger rail;**

14 **“(c) Bicycle;**

15 **“(d) Pedestrian; and**

16 **“(e) Passenger rail.**

17 **“(4) All moneys received by the department as interest on loans**  
18 **made under this section and as repayment of principal of loans made**  
19 **under this section shall be deposited into the fund.**

20 **“(5) The Oregon Transportation Commission shall select transpor-**  
21 **tation projects to be funded with moneys in the fund. Before selecting**  
22 **a project, the commission shall solicit recommendations from advisory**  
23 **committees established by the department. In selecting projects the**  
24 **commission shall consider:**

25 **“(a) Whether a proposed project results in an economic benefit to**  
26 **this state;**

27 **“(b) Whether a proposed project improves community livability,**  
28 **safety and environmental sustainability;**

29 **“(c) Whether a proposed project provides increased mobility or ac-**  
30 **cess to the transportation system;**

1       “(d) Whether a proposed project contributes to a healthy, active  
2 lifestyle;

3       “(e) How much of the cost of a proposed project could be paid by  
4 the applicant from other sources; and

5       “(f) Whether a proposed project is ready for construction.

6       “(6) The department shall distribute the moneys in the fund to each  
7 county based on the county’s population, as determined under ORS  
8 190.510 to 190.610 for the year immediately preceding apportionment  
9 of the moneys, relative to the total population of the state.

10       “(7) The department shall administer all transportation projects  
11 that are selected under this section. The department may use moneys  
12 from the fund to pay administrative costs incurred by the department  
13 in carrying out the provisions of this section.

14       “(8) The department shall adopt rules:

15       “(a) Specifying the process by which a public body or private entity  
16 may apply for a loan under this section and prescribing the terms and  
17 conditions of loans, including but not limited to interest rates and  
18 repayment schedules; and

19       “(b) Specifying the process by which a public body or private entity  
20 may apply for a grant under this section and prescribing the terms and  
21 conditions of grants, including but not limited to a requirement that  
22 the public body or private entity receiving the grant provide at least  
23 20 percent of the moneys required for the transportation project.

24       “SECTION 6. ORS 367.080 is amended to read:

25       “367.080. (1) As used in ORS 367.080 to 367.086, ‘transportation project’  
26 has the meaning given that term in ORS 367.010.

27       “(2) The Multimodal Transportation Fund is established separate and  
28 distinct from the General Fund. Earnings on moneys in the Multimodal  
29 Transportation Fund shall be deposited into the fund. Moneys in the Multi-  
30 modal Transportation Fund are continuously appropriated to the Department



1 of Transportation for the purposes described in subsection (3) of this section  
2 and in ORS 367.086.

3 “(3) The department shall use moneys in the Multimodal Transportation  
4 Fund to provide grants and loans for transportation projects as provided in  
5 ORS 367.080 to 367.086. Grants and loans may be provided only for projects  
6 that involve one or more of the following modes of transportation:

7 “(a) Air;

8 “(b) Marine; **and**

9 “(c) Rail **other than passenger rail.**[; *and*]

10 “[*d*) *Public transit.*]

11 “(4) All moneys received by the department as interest on loans made  
12 under this section and as repayment of principal of loans made under this  
13 section shall be deposited into the Multimodal Transportation Fund.

14 **“SECTION 7.** ORS 367.086 is amended to read:

15 “367.086. [(1)] The Oregon Transportation Commission shall transfer  
16 moneys for aeronautic and airport transportation projects selected under  
17 ORS 367.084 from the Multimodal Transportation Fund to the [*Oregon De-*  
18 *partment of Aviation*] **Department of Transportation. The Department**  
19 **of Transportation, after consultation with the Oregon Department of**  
20 **Aviation,** [*which*] shall administer the projects. The amount transferred  
21 shall include moneys to pay administrative costs incurred by the [*Oregon*  
22 *Department of Aviation*] **Department of Transportation** in carrying out the  
23 provisions of ORS 367.080 to 367.086.

24 “[*2*) *Except as provided in subsection (1) of this section, the Department*  
25 *of Transportation shall administer all transportation projects that are selected*  
26 *under ORS 367.084. The department may use moneys from the Multimodal*  
27 *Transportation Fund to pay administrative costs incurred by the department*  
28 *in carrying out the provisions of ORS 367.080 to 367.086.]*

29 **“SECTION 8. This 2013 Act being necessary for the immediate**  
30 **preservation of the public peace, health and safety, an emergency is**

1 **declared to exist, and this 2013 Act takes effect on its passage.”.**

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