

# Senate Bill 1578

Sponsored by Senator KNOPP; Senators BAERTSCHIGER JR, BOQUIST, CLOSE, FERRIOLI, GEORGE, GIROD, HANSELL, KRUSE, OLSEN, THOMSEN, WHITSETT, WINTERS, Representatives HUFFMAN, MCLANE, WHISNANT (Pre-session filed.)

## SUMMARY

The following summary is not prepared by the sponsors of the measure and is not a part of the body thereof subject to consideration by the Legislative Assembly. It is an editor's brief statement of the essential features of the measure **as introduced**.

Authorizes cities and counties to adopt ordinances for expedited siting of industrial, manufacturing or natural resource facilities in areas of high unemployment.

Prioritizes transportation projects related to areas of high unemployment over other transportation projects in statewide transportation improvement program.

Creates income tax credit for creation and maintenance, in area of high unemployment, of new employment position by taxpayer. Applies to tax years beginning on or after January 1, 2015.

Extends availability of favorable tax treatment for domestic international sales corporations to corporations formed before January 1, 2016.

Provides that public improvement contract for construction or certain reconstruction or major renovation of public building must contain amount equal to at least 1.5 percent of total contract price for inclusion of certain types of energy technology. Provides exceptions.

Takes effect on 91st day following adjournment sine die.

## A BILL FOR AN ACT

Relating to facilitation of economic development; creating new provisions; amending ORS 34.100, 184.611, 279C.527, 314.752, 317.283, 317.635 and 318.031; and prescribing an effective date.

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

## SHORT TITLE

**SECTION 1. ORS 184.611, 297C.527 and 317.635 and sections 1 to 5 and 9 of this 2014 Act may be cited as the Driving Development Act.**

## EXPEDITED SITING OF INDUSTRIAL, MANUFACTURING OR NATURAL RESOURCE FACILITIES IN AREAS OF HIGH UNEMPLOYMENT

**SECTION 2. The Legislative Assembly finds that:**

**(1) There is a serious and urgent need to create opportunities for family wage jobs in communities with long-term high unemployment in Oregon.**

**(2) Current siting procedures are inadequate to meet the immediate and projected need to plan and site industrial, manufacturing or natural resource facilities in Oregon.**

**(3) An expedited siting process is needed to meet the immediate and projected need for industrial, manufacturing or natural resource facilities in Oregon.**

**SECTION 3. As used in sections 1 to 5 of this 2014 Act:**

**(1) "Area of high unemployment" means a city or county in which the seasonally adjusted unemployment rate is seven percent or higher for a period of at least 12 consecutive months.**

**NOTE:** Matter in **boldfaced** type in an amended section is new; matter [*italic and bracketed*] is existing law to be omitted. New sections are in **boldfaced** type.

1       (2) “Industrial, manufacturing or natural resource facility” means land and structures,  
2 including warehouses, factories, mills, power generating facilities and mines, used to treat,  
3 process or manufacture materials into products.

4       (3) “Just, fair and reasonable” means a rate is calculated to ensure the recovery by a  
5 public body of the additional costs of providing and maintaining a requested service, includ-  
6 ing, but not limited to, feasibility and design engineering costs and reasonable capacity re-  
7 placement costs, but does not allow the recovery of additional costs that exceed the actual  
8 capital and operating expenses, including reasonable reserves charged to all ratepayers, for  
9 the service.

10       (4) “Public services” includes water, sewer and transportation services.

11       **SECTION 4.** (1) The governing body of a city or county may adopt one or more ordinances  
12 that establish criteria under which the governing body may approve an application to site  
13 and use an industrial, manufacturing or natural resource facility in an area of high unem-  
14 ployment, notwithstanding statewide land use planning goals, comprehensive plans or land  
15 use regulations.

16       (2) Ordinances adopted pursuant to this section by the governing body of a city apply to  
17 areas of high unemployment that are located within the boundaries of the city or within the  
18 urban growth boundary of the city. Ordinances adopted pursuant to this section by the gov-  
19 erning body of a county apply to areas of high unemployment that are located outside the  
20 boundaries of all cities and outside of all urban growth boundaries.

21       (3) Before adopting or amending ordinances authorized by this section, the governing  
22 body of a city or county shall hold one or more public hearings.

23       (4) The governing body of a city or county may approve an application to establish an  
24 industrial, manufacturing or natural resource facility in an area of high unemployment un-  
25 der ordinances adopted pursuant to this section.

26       (5) A siting decision of the governing body of a city or county binds the state and all  
27 counties, cities and political subdivisions of the state as to the approval of an industrial,  
28 manufacturing or natural resource facility and the construction and operation of the facility.  
29 Affected state agencies, counties, cities and political subdivisions shall issue the appropriate  
30 permits, licenses and certificates and enter into intergovernmental agreements as necessary  
31 for the construction and operation of the facility.

32       (6) Each state or local governmental agency that issues a permit, license or certificate  
33 shall continue to exercise enforcement authority over the permit, license or certificate.

34       (7) Upon request of an applicant for an industrial, manufacturing or natural resource  
35 facility, a public body furnishing public services shall make public services available to the  
36 applicant that are either necessary for the construction and operation of the facility or re-  
37 quired by additions to or remodeling of the facility sited or constructed under sections 1 to  
38 5 of this 2014 Act. All rates, terms and conditions of furnishing public services must be just,  
39 fair and reasonable.

40       (8) If an applicant for an industrial, manufacturing or natural resource facility and the  
41 public body cannot agree on the rates, terms and conditions of furnishing public services to  
42 the facility, the applicant or the public body may deliver to the other a notice of request to  
43 mediate disputed issues. If the applicant or the public body requests mediation, the other  
44 shall participate in good faith in the mediation. Unless otherwise agreed by the applicant and  
45 the public body, the mediation must be concluded within 30 days after delivery of the notice

1 of request to mediate.

2 (9) The governing body of a city or county shall hold at least one public hearing before  
3 issuing a decision on an application for an industrial, manufacturing or natural resource fa-  
4 cility under sections 1 to 5 of this 2014 Act.

5 **SECTION 5.** (1) Action taken under the authority of sections 1 to 5 of this 2014 Act is  
6 not a land use decision, or a limited land use decision, subject to the exclusive jurisdiction  
7 of the Land Use Board of Appeals.

8 (2) A person who is adversely affected by an action taken under sections 1 to 5 of this  
9 2014 Act may seek review of the action under the writ of review procedures described in ORS  
10 34.010 to 34.100 except that a petition must be filed within 14 days after the date of the  
11 action, notwithstanding contrary provisions of ORS 34.030.

12 (3) A person is adversely affected by an action only if the real property of the person is  
13 within sight and sound of the industrial, manufacturing or natural resource facility or the  
14 value of the economic effect on the person exceeds \$5,000.

15  
16 **REVIEW OF EXPEDITED SITING OF INDUSTRIAL,  
17 MANUFACTURING OR NATURAL RESOURCE FACILITIES  
18 IN AREAS OF HIGH UNEMPLOYMENT**  
19

20 **SECTION 6.** ORS 34.100 is amended to read:

21 34.100. (1) Upon the review, the court [*shall have power to*] **may** affirm, modify, reverse or annul  
22 the decision or determination reviewed, and if necessary, to award restitution to the plaintiff, or to  
23 direct the inferior court, officer[, ] or tribunal to proceed in the matter reviewed according to its  
24 decision.

25 (2) From the judgment of the circuit court on review, an appeal may be taken in like manner  
26 and with like effect as from a judgment of a circuit court in an action.

27 (3) **The circuit court shall give priority to proceedings that arise under sections 1 to 5  
28 of this 2014 Act over all other matters before the circuit court.**

29  
30 **PRIORITY OF TRANSPORTATION PROJECTS THAT SUPPORT  
31 INDUSTRIAL, MANUFACTURING OR NATURAL RESOURCE  
32 FACILITIES SITED IN AREAS OF HIGH UNEMPLOYMENT**  
33

34 **SECTION 7.** ORS 184.611 is amended to read:

35 184.611. (1) As used in this section, “freight mobility project” means a project that supports the  
36 safe, reliable and efficient movement of goods between and among local, national and international  
37 markets.

38 (2) The Legislative Assembly finds that:

39 (a) **There is a serious and urgent need to create opportunities for family wage jobs in  
40 communities with long-term high unemployment in Oregon.**

41 (b) Investment in freight mobility projects will yield a return on the state’s investment in terms  
42 of improved economic opportunity and safety.

43 [(3) *In developing the STIP, the Department of Transportation shall give priority to freight mo-  
44 bility projects that:*]

45 [*(a) Are located on identified freight routes of statewide or regional significance;*]

1 *[(b) Remove identified barriers to the safe, reliable and efficient movement of goods; and]*

2 *[(c) Facilitate public and private investment that creates or sustains jobs.]*

3 **(3) In developing the STIP, the Department of Transportation shall:**

4 **(a) Give first priority to transportation projects that support industrial, manufacturing**  
 5 **or natural resource facilities for which the siting is expedited under sections 1 to 5 of this**  
 6 **2014 Act, including freight mobility projects that:**

7 **(A) Are located on identified freight routes of statewide or regional significance;**

8 **(B) Remove identified barriers to the safe, reliable and efficient movement of goods; and**

9 **(C) Facilitate public and private investment that creates or sustains jobs.**

10 **(b) Give second priority to freight mobility projects described in paragraph (a) of this**  
 11 **subsection that are planned in areas other than an area of high unemployment as defined in**  
 12 **section 3 of this 2014 Act.**

13  
 14 **TAX PROVISIONS**

15  
 16 **SECTION 8. Section 9 of this 2014 Act is added to and made a part of ORS chapter 315.**

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

18 **(a) “Area of high unemployment” means a city or county in which the seasonally adjusted**  
 19 **unemployment rate is seven percent or higher for a period of at least 12 consecutive months.**

20 **(b) “Average wage” means the annual average wage or salary reported for covered em-**  
 21 **ployment by the Employment Department for a county at the time a taxpayer is certified**  
 22 **under this section.**

23 **(2) A credit against taxes that are otherwise due under ORS chapter 316 or, if the tax-**  
 24 **payer is a corporation, under ORS chapter 317 or 318 is allowed to a taxpayer who creates**  
 25 **at least one new full-time employment position with compensation that exceeds the average**  
 26 **wage of the county in which the position is located by at least 10 percent. The amount of the**  
 27 **credit allowed for each full-time position created must be calculated by taking the average**  
 28 **wage of the new position divided by 110 percent of the average wage of the county in which**  
 29 **the position is located and multiplying the quotient by \$1,000. The credit must be claimed in**  
 30 **the tax year in which the employee completes 12 consecutive months of employment for the**  
 31 **taxpayer.**

32 **(3) To qualify a taxpayer for the credit allowed under this section, a position must:**

33 **(a) Be located in an area of high unemployment;**

34 **(b) Be filled after March 1, 2014;**

35 **(c) Remain filled for at least 12 consecutive months; and**

36 **(d) Create a net increase in the number of full-time equivalent positions of the taxpayer**  
 37 **compared to the taxpayer’s payroll as of February 1, 2014.**

38 **(4) Before claiming the credit allowed under this section, a taxpayer must obtain a writ-**  
 39 **ten certification of eligibility from the Department of Revenue. The department shall estab-**  
 40 **lish a process for certifying taxpayers as eligible for the credit allowed by this section.**

41 **(5) The credit allowed under this section may not exceed the tax liability of the taxpayer**  
 42 **for the tax year.**

43 **(6) Any tax credit otherwise allowable under this section that is not used by the taxpayer**  
 44 **in a particular tax year may be carried forward and offset against the taxpayer’s tax liability**  
 45 **for the next succeeding tax year. Any credit remaining unused in the next succeeding tax**

1 year may be carried forward and used in the second succeeding tax year. Any credit re-  
2 maining unused in the second succeeding tax year may be carried forward and used in the  
3 third succeeding tax year. Any credit remaining unused in the third succeeding tax year may  
4 be carried forward and used in the fourth succeeding tax year. Any credit remaining unused  
5 in the fourth succeeding tax year may be carried forward and used in the fifth succeeding  
6 tax year, but may not be used in any tax year after the fifth succeeding tax year.

7 (7) A nonresident is allowed the credit under this section. The credit must be computed  
8 in the same manner and be subject to the same limitations as the credit granted to a resi-  
9 dent.

10 (8) If a change in the taxable year of the taxpayer occurs as described in ORS 314.085,  
11 or if the Department of Revenue terminates the taxpayer's taxable year under ORS 314.440,  
12 the credit allowed by this section must be prorated or computed in a manner consistent with  
13 ORS 314.085.

14 (9) If a change in the status of a taxpayer from resident to nonresident or from nonres-  
15 ident to resident occurs, the credit allowed by this section must be determined in a manner  
16 consistent with ORS 316.117.

17 (10) The department shall adopt rules for the administration of this section, including  
18 policies and procedures for certifying taxpayers as eligible for the credit allowed under this  
19 section as required by subsection (4) of this section.

20 **SECTION 10.** (1) Notwithstanding ORS 315.050, section 9 of this 2014 Act applies to all tax  
21 years beginning on or after January 1, 2015.

22 (2) The amendments to ORS 314.752 and 318.031 by sections 11 and 12 of this 2014 Act  
23 apply to tax years beginning on or after January 1, 2015.

24 **SECTION 11.** ORS 314.752 is amended to read:

25 314.752. (1) Except as provided in ORS 314.740 (5)(b), the tax credits allowed or allowable to a  
26 C corporation for purposes of ORS chapter 317 or 318 shall not be allowed to an S corporation. The  
27 business tax credits allowed or allowable for purposes of ORS chapter 316 shall be allowed or are  
28 allowable to the shareholders of the S corporation.

29 (2) In determining the tax imposed under ORS chapter 316, as provided under ORS 314.734, on  
30 income of the shareholder of an S corporation, there shall be taken into account the shareholder's  
31 pro rata share of business tax credit (or item thereof) that would be allowed to the corporation (but  
32 for subsection (1) of this section) or recapture or recovery thereof. The credit (or item thereof), re-  
33 capture or recovery shall be passed through to shareholders in pro rata shares as determined in the  
34 manner prescribed under section 1377(a) of the Internal Revenue Code.

35 (3) The character of any item included in a shareholder's pro rata share under subsection (2)  
36 of this section shall be determined as if such item were realized directly from the source from which  
37 realized by the corporation, or incurred in the same manner as incurred by the corporation.

38 (4) If the shareholder is a nonresident and there is a requirement applicable for the business tax  
39 credit that in the case of a nonresident the credit be allowed in the proportion provided in ORS  
40 316.117, then that provision shall apply to the nonresident shareholder.

41 (5) As used in this section, "business tax credit" means a tax credit granted to personal income  
42 taxpayers to encourage certain investment, to create employment, economic opportunity or incentive  
43 or for charitable, educational, scientific, literary or public purposes that is listed under this sub-  
44 section as a business tax credit or is designated as a business tax credit by law or by the Depart-  
45 ment of Revenue by rule and includes but is not limited to the following credits: ORS 285C.309

1 (tribal taxes on reservation enterprise zones and reservation partnership zones), ORS 315.104 (fore-  
 2 station and reforestation), ORS 315.138 (fish screening, by-pass devices, fishways), ORS 315.141  
 3 (biomass production for biofuel), ORS 315.156 (crop gleaning), ORS 315.164 and 315.169 (agriculture  
 4 workforce housing), ORS 315.204 (dependent care assistance), ORS 315.208 (dependent care facili-  
 5 ties), ORS 315.213 (contributions for child care), ORS 315.304 (pollution control facility), ORS 315.326  
 6 (renewable energy development contributions), ORS 315.331 (energy conservation projects), ORS  
 7 315.336 (transportation projects), ORS 315.341 (renewable energy resource equipment manufacturing  
 8 facilities), ORS 315.354 and 469B.151 (energy conservation facilities), ORS 315.507 (electronic com-  
 9 merce), ORS 315.533 (low income community jobs initiative) and ORS 317.115 (fueling stations nec-  
 10 essary to operate an alternative fuel vehicle) **and section 9 of this 2014 Act (employment**  
 11 **positions).**

12 **SECTION 12.** ORS 318.031 is amended to read:

13 318.031. It being the intention of the Legislative Assembly that this chapter and ORS chapter  
 14 317 shall be administered as uniformly as possible (allowance being made for the difference in im-  
 15 position of the taxes), ORS 305.140 and 305.150, ORS chapter 314 and the following sections are in-  
 16 corporated into and made a part of this chapter: ORS 285C.309, 315.104, 315.141, 315.156, 315.204,  
 17 315.208, 315.213, 315.304, 315.326, 315.331, 315.336, 315.507 and 315.533 **and section 9 of this 2014**  
 18 **Act** (all only to the extent applicable to a corporation) and ORS chapter 317.

19 **SECTION 13.** ORS 317.283 is amended to read:

20 317.283. (1) To derive Oregon taxable income, federal taxable income shall be modified to the  
 21 extent necessary to not recognize for Oregon tax purposes any transaction between the taxpayer  
 22 and a related domestic international sales corporation. The taxpayer shall be considered to have  
 23 entered directly into any transactions with third parties that are treated for federal income tax  
 24 purposes as having been entered into by a related domestic international sales corporation. To sat-  
 25 isfy the requirements of this section:

26 (a) No deduction shall be allowed to any taxpayer for any payment to a related domestic inter-  
 27 national sales corporation;

28 (b) No income or expense that would be attributed to a taxpayer but for the provisions of  
 29 sections 991 to 996 of the Internal Revenue Code shall be treated as attributable to a related do-  
 30 mestic international sales corporation; and

31 (c) No deduction shall be allowed to a taxpayer for interest on DISC-related deferred tax li-  
 32 ability paid pursuant to section 995(f) of the Internal Revenue Code.

33 (2) Notwithstanding subsection (1) of this section, **if a domestic international sales corpo-**  
 34 **ration is formed on or before January 1, 2016:**

35 (a) A tax shall be imposed under this chapter at a rate of 2.5 percent on any commission re-  
 36 ceived by [a] **the** domestic international sales corporation; and

37 (b) A deduction shall be allowed for commission payments to [a] **the** domestic international sales  
 38 corporation[, *if the domestic international sales corporation is formed on or before January 1, 2014*].

39 (3) As used in this section, "domestic international sales corporation" means a domestic inter-  
 40 national sales corporation as defined in section 992 of the Internal Revenue Code.

41 **SECTION 14.** ORS 317.635 is amended to read:

42 317.635. (1) Except as provided in ORS 317.283, a domestic international sales corporation,  
 43 commonly referred to as "DISC," as defined in section 992 of the Internal Revenue Code, shall be  
 44 taxed in the manner provided for other corporations under this chapter and without regard to  
 45 sections 991 to 996 of the Internal Revenue Code.

1 (2) An interest charge DISC formed on or before January 1, [2014] **2016**, is exempt from the tax  
 2 imposed under ORS 317.090.

3  
 4 **USE OF GREEN ENERGY TECHNOLOGY IN PUBLIC FACILITIES**

5  
 6 **SECTION 15.** ORS 279C.527 is amended to read:

7 279C.527. (1) As used in this section and in ORS 279C.528:

8 (a)(A) “Green energy technology” means a system that employs:

9 (i) Solar or geothermal energy directly for space or water heating or to generate electricity;  
 10 [or]

11 (ii) Building design that uses solar energy passively to reduce energy use from other sources  
 12 by at least 20 percent from a level required under ORS 276.900 to 276.915 or achieved in buildings  
 13 constructed according to state building code standards that the Department of Consumer and Busi-  
 14 ness Services approves under ORS 455.496[.];

15 **(iii) Woody biomass as a fuel for space or water heating or to generate electricity;**

16 **(iv) Electricity generated from sources described in ORS 469A.025;**

17 **(v) Efficient fluorescent lamps;**

18 **(vi) High-efficiency water heaters;**

19 **(vii) Energy efficient window coverings or screens;**

20 **(viii) High-albedo roof coatings;**

21 **(ix) Insulation; or**

22 **(x) Other renewable energy technologies that the State Department of Energy identifies**  
 23 **by rule.**

24 (B) “Green energy technology” does not include a system that:

25 (i) Uses water, groundwater or the ground as a heat source at temperatures less than 140 de-  
 26 grees Fahrenheit; or

27 (ii) Incorporates solar energy indirectly into other methods for generating energy, such as from  
 28 the action of waves on water, from hydroelectric facilities or from wind-powered turbines.

29 (b) “Public building” means a building that a public body, as defined in ORS 174.109, owns or  
 30 controls, and that is:

31 (A) Used or occupied by employees of the public body; or

32 (B) Used for conducting public business.

33 (2)(a) Except as otherwise provided in this section, a public improvement contract for the con-  
 34 struction of a public building or for the reconstruction or major renovation of a public building, if  
 35 the cost of the reconstruction or major renovation exceeds 50 percent of the value of the public  
 36 building, [shall] **must** contain and reserve an amount equal to at least 1.5 percent of the total con-  
 37 tract price for the purpose of including appropriate green energy technology as part of the con-  
 38 struction, reconstruction or major renovation of the public building.

39 (b) A public improvement contract to construct, reconstruct or renovate a public building may  
 40 provide for constructing green energy technology at a site that is located away from the site of the  
 41 public building if:

42 (A) Constructing green energy technology away from the site of the public building and using  
 43 the energy from the green energy technology at the site of the public building is more cost-effective,  
 44 taking into account additional costs associated with transmitting generated energy to the site of the  
 45 public building, than is constructing and using green energy technology at the site of the public

1 building;

2 (B) The green energy technology that is located away from the site of the public building is lo-  
3 cated within this state and in the same county as, or in a county adjacent to, the site of the public  
4 building; and

5 (C) The public improvement contract provides that all of the moneys for constructing green en-  
6 ergy technology away from the site of the public building must fund new energy generating capacity  
7 that does not replace or constitute a purchase and use of energy generated from green energy  
8 technology that:

9 (i) Employs solar energy and that existed on the date that the original building permit for the  
10 public building was issued; *[or]*

11 (ii) Employs geothermal energy and for which construction was completed before January 1,  
12 2013[.];

13 **(iii) Employs woody biomass and for which construction was completed before January**  
14 **1, 2013; or**

15 **(iv) Employs another renewable energy technology and for which construction was com-**  
16 **pleted before January 1, 2013.**

17 (c) In making the determination required under paragraph (b)(A) of this subsection, a contract-  
18 ing agency shall[.:

19 *[(A)] Compare the costs of constructing green energy technology that employs [solar energy at*  
20 *the site of the public building] a particular technology, fuel, method, process or facility only with*  
21 *the corresponding costs of green energy technology that employs [solar energy] the same technol-*  
22 *ogy, fuel, method, process or facility at a location away from the site of the public building. [;*  
23 *and]*

24 *[(B) Compare the costs of green energy technology that employs geothermal energy at the site of the*  
25 *public building only with the corresponding costs of green energy technology that employs geothermal*  
26 *energy at a location away from the site of the public building.]*

27 (3) Before entering into a public improvement contract described in subsection (2) of this sec-  
28 tion, a contracting agency shall prepare a written determination of whether including green energy  
29 technology as part of the construction, reconstruction or major renovation of the public building is  
30 appropriate. The contracting agency shall list in the determination the total contract price and  
31 specify the amount the agency intends to expend on including green energy technology as part of  
32 the construction, reconstruction or major renovation. The State Department of Energy shall develop  
33 a form that a contracting agency may use to prepare the written determination described in this  
34 subsection.

35 (4)(a) If the contracting agency determines that green energy technology is not appropriate for  
36 the public building, subsection (2) of this section does not apply to the public improvement contract.  
37 A contracting agency's determination under this paragraph must consider whether constructing  
38 green energy technology at the site of the public building is appropriate and whether constructing  
39 green energy technology away from the site of the public building and in accordance with subsection  
40 (2)(b) and (c) of this section is appropriate.

41 (b) If subsection (2) of this section does not apply to the public improvement contract:

42 (A) The contracting agency shall spend an amount equal to at least 1.5 percent of the total  
43 contract price to include appropriate green energy technology as part of a future public building  
44 project; and

45 (B) The amount the contracting agency spends on the future public building project in accord-



1 ance with subparagraph (A) of this paragraph is in addition to any amount required under sub-  
2 section (2) of this section for including appropriate green energy technology as part of the future  
3 public building project.

4 (5) Subsection (4)(b) of this section does not apply to a public improvement contract for which  
5 state funds are not directly or indirectly used.

6 (6)(a) This section does not exempt an authorized state agency, as defined in ORS 276.905, from  
7 complying with ORS 276.900 to 276.915, except that an authorized state agency, without complying  
8 with ORS 276.900 to 276.915, may determine that green energy technology is appropriate to include  
9 as part of the construction, reconstruction or major renovation of a public building.

10 (b) A contracting agency may not use an amount described in subsection (4)(b) of this section  
11 to comply with requirements set forth in ORS 276.900 to 276.915 or with a state building code  
12 standard that the Department of Consumer and Business Services approves under ORS 455.496.

13 (7) Notwithstanding the provisions of ORS 174.108 (3), this section applies to intergovernmental  
14 entities described in ORS 174.108 (3).

15 **SECTION 16.** The amendments to ORS 279C.527 by section 15 of this 2014 Act apply only  
16 to public improvement contracts first advertised, or if not advertised first entered into, on  
17 or after the effective date of this 2014 Act.

18  
19 CAPTIONS

20  
21 **SECTION 17.** The unit captions used in this 2014 Act are provided only for the conven-  
22 ience of the reader and do not become part of the statutory law of this state or express any  
23 legislative intent in the enactment of this 2014 Act.

24  
25 EFFECTIVE DATE

26  
27 **SECTION 18.** This 2014 Act takes effect on the 91st day after the date on which the 2014  
28 regular session of the Seventy-seventh Legislative Assembly adjourns sine die.

29 \_\_\_\_\_