

D R A F T

SUMMARY

Requires two percent of gross proceeds of certain bonds to be set aside to fund disaster resiliency projects. Establishes Resiliency Investment Fund. Declares emergency, effective on passage.

A BILL FOR AN ACT

Relating to disaster resiliency; and declaring an emergency.

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

SECTION 1. Section 2 of this 2015 Act is added to and made a part of ORS chapter 286A.

SECTION 2. (1) As used in this section:

(a) **“Capital bonds” means bonds for which 50 percent or more of the gross proceeds is raised to finance capital construction.**

(b) **“Capital construction” means the construction, modification, replacement, repair, remodeling or renovation of a structure that is expected to have a useful life of more than one year.**

(c) **“Emergency” has the meaning given that term in ORS 401.025, except that the term does not include events or circumstances described in ORS 401.025 (1)(b).**

(d) **“Resilience to damage or deformation” means construction or improvement of a structure, beyond the minimum standards imposed by building codes enforced under ORS chapter 455, that decreases the risk to life and property resulting from an emergency.**

(e) **“Structure” means a temporary or permanent building or improvement to real property that is constructed on or attached to real**

1 **property, whether above, on or beneath the surface.**

2 **(2) A related agency shall set aside from the gross proceeds of cap-**
3 **ital bonds issued for a project of the agency:**

4 **(a) One percent of the gross proceeds of the capital bonds for ex-**
5 **penditure on parts of a capital construction project that improve the**
6 **project's resilience to damage or deformation.**

7 **(b) One percent of the gross proceeds of the capital bonds for de-**
8 **posit into the Resiliency Investment Fund established by section 3 of**
9 **this 2015 Act.**

10 **SECTION 3. (1) The Resiliency Investment Fund is established in**
11 **the State Treasury, separate and distinct from the General Fund.**

12 **(2) The Resiliency Investment Fund consists of moneys deposited in**
13 **the fund pursuant to section 2 of this 2015 Act. Interest earned by**
14 **moneys in the fund must be credited to the fund.**

15 **(3) The moneys in the Resiliency Investment Fund are continuously**
16 **appropriated to the Office of Emergency Management for expenditures**
17 **required to support resiliency projects under section 4 of this 2015 Act.**

18 **SECTION 4. (1) As used in this section:**

19 **(a) "Capital bonds" has the meaning given that term in section 2**
20 **of this 2015 Act.**

21 **(b) "Capital construction" has the meaning given that term in sec-**
22 **tion 2 of this 2015 Act.**

23 **(c) "Local government" has the meaning given that term in ORS**
24 **174.116.**

25 **(d) "Project funds" means the net proceeds of capital bonds, and**
26 **interest from those proceeds that accrues before the proceeds and in-**
27 **terest are initially disbursed to a related agency, that are approved by**
28 **the Legislative Assembly for expenditure on a capital construction**
29 **project.**

30 **(e) "Qualified project" means a capital construction project that:**

31 **(A) The Office of Emergency Management determines will improve**

1 a structure's resilience to damage or deformation and improve the
2 preparedness of this state to respond to and recover from an emer-
3 gency; and

4 (B) Is subject to oversight to a degree and in a manner determined
5 by the office.

6 (f) "Related agency" has the meaning given that term in ORS
7 286A.001.

8 (g) "Resilience to damage or deformation" has the meaning given
9 that term in section 2 of this 2015 Act.

10 (2) A related agency may apply to the Office of Emergency Man-
11 agement for disbursement of project funds deposited in the Resiliency
12 Investment Fund established by section 3 of this 2015 Act. The office
13 may approve a disbursement to the related agency only:

14 (a) After the capital bond from which the deposit was set aside has
15 been retired due to maturity or early payment; and

16 (b) If the related agency certifies to the office that the disburse-
17 ment will be used for a qualified project.

18 (3) A local government may apply to the office for disbursement of
19 moneys in the form of grants or loans from the fund. The office may
20 approve a disbursement to the local government only if:

21 (a) The moneys disbursed are interest earnings on moneys deposited
22 into the fund pursuant to section 2 of this 2015 Act; and

23 (b) The local government certifies to the office that the moneys
24 disbursed will be used for a qualified project.

25 (4) If moneys disbursed under subsection (2) or (3) of this section
26 are proceeds of, or interest earnings on proceeds of, bonds issued
27 pursuant to Articles XI-A, XI-D, XI-E, XI-F(2), XI-G, XI-H, XI-I(1),
28 XI-I(2), XI-J, XI-K, XI-L, XI-M, XI-N, XI-O, XI-P or XI-Q of the
29 Oregon Constitution, moneys disbursed may be used only for purposes
30 consistent with the Article under which the general obligation bonds
31 were issued.

1 **SECTION 5. The Director of the Office of Emergency Management**
2 **shall adopt rules to implement and administer section 4 of this 2015**
3 **Act.**

4 **SECTION 6. (1) Sections 1 to 4 of this 2015 Act become operative**
5 **on January 1, 2016.**

6 **(2) The Director of the Office of Emergency Management may take**
7 **any action before the operative date specified in subsection (1) of this**
8 **section that is necessary for the director to exercise, on and after the**
9 **operative date specified in subsection (1) of this section, all of the du-**
10 **ties, functions and powers conferred on the director by sections 1 to**
11 **4 of this 2015 Act.**

12 **SECTION 7. This 2015 Act being necessary for the immediate pres-**
13 **ervation of the public peace, health and safety, an emergency is de-**
14 **clared to exist, and this 2015 Act takes effect on its passage.**

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