

House Bill 3386

Sponsored by Representative EVANS

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**.

Establishes Oregon Public Utility Homeland Security Commission.

Establishes Oregon Public Utility Homeland Security Fund.

Establishes grant program for purpose of providing financial assistance to consumer-owned utilities for developing projects associated with natural disaster mitigation, prevention, response and recovery.

Authorizes issuance of lottery bonds to finance projects associated with natural disaster mitigation, prevention, response and recovery.

A BILL FOR AN ACT

1
2 Relating to public utilities.

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

4 **SECTION 1. As used in sections 3 and 5 of this 2015 Act, "consumer-owned utility" means**
5 **a people's utility district organized under ORS chapter 261, a municipal utility organized**
6 **under ORS chapter 225 or an electric cooperative organized under ORS chapter 62.**

7 **SECTION 2. (1) There is established within the Office of Emergency Management the**
8 **Oregon Public Utility Homeland Security Commission.**

9 **(2) The commission shall consist of five members appointed by the Governor.**

10 **(3) The commission shall carry out the duties and functions described in section 3 of this**
11 **2015 Act.**

12 **(4) A majority of the members of the commission constitutes a quorum for the trans-**
13 **action of business.**

14 **(5) Official action by the commission requires the approval of a majority of the voting**
15 **members of the commission.**

16 **(6) The commission shall elect one of its members to serve as chairperson.**

17 **(7) If there is a vacancy for any cause, the appointing authority shall make an appoint-**
18 **ment to become immediately effective.**

19 **(8) The commission shall meet at times and places specified by the call of the chairperson**
20 **of a majority of the voting members of the commission.**

21 **(9) The commission may adopt rules necessary for the operation of the commission.**

22 **SECTION 3. (1) The Office of Emergency Management shall make grants from the**
23 **Oregon Public Utility Homeland Security Fund established under section 4 of this 2015 Act**
24 **to consumer-owned utilities for the purposes of implementing projects related to natural**
25 **disaster mitigation, prevention, response and recovery strategies, such as:**

26 **(a) The evaluation of facilities owned by consumer-owned utilities to determine whether**
27 **the facilities meet state safety standards;**

28 **(b) The assessment of facilities owned by consumer-owned utilities to determine capabil-**

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.

ities and vulnerabilities;

(c) The review of facility construction standards related to service reliability that are used by consumer-owned utilities;

(d) The establishment of resiliency measures;

(e) The development of a prioritization schedule for restoring power to certain critical infrastructure, such as hospitals, after a power outage; and

(f) The review of operations, planning and infrastructure protection processes.

(2) To receive a grant under this section, a consumer-owned utility shall submit to the Oregon Public Utility Homeland Security Commission a proposal for a project described in subsection (1) of this section. The proposal must include a description of the proposed project, an explanation of the need for the project, the estimated cost of the project and the estimated amount of grant moneys that the consumer-owned utility needs to complete the project.

(3) The commission shall prescribe the form and manner of making a proposal under this section.

(4) Upon receiving a proposal under this section, the commission shall evaluate the proposal to determine whether to recommend to the Office of Emergency Management the awarding of a grant to the consumer-owned utility that submitted the proposal. In evaluating a proposal, the commission shall consider:

(a) The need for the proposed project;

(b) The degree to which the project will enhance natural disaster mitigation, prevention, response and recovery;

(c) The feasibility of a consumer-owned utility completing the project; and

(d) The feasibility of a consumer-owned utility completing the project at the estimated cost.

SECTION 4. (1) The Office of Emergency Management shall establish the Oregon Public Utility Homeland Security Fund. The fund is separate and distinct from the General Fund.

(2) The fund shall consist of moneys appropriated by the Legislative Assembly to the office for the purposes described in section 3 of this 2015 Act.

(3) Moneys in the fund are continuously appropriated to the office for the purposes of:

(a) Making grants as described in section 3 of this 2015 Act; and

(b) Paying the administrative costs incurred under sections 2 and 3 of this 2015 Act.

SECTION 5. (1) In addition to and not in lieu of the budget authorization to issue lottery bonds under ORS 286A.035, for the biennium beginning July 1, 2015, at the request of the Oregon Department of Administrative Services, after the department consults with the Office of Emergency Management, the State Treasurer is authorized to issue lottery bonds pursuant to ORS 286A.560 to 286A.585 in an amount that produces \$_____ in net proceeds and interest earnings for the purposes described in section 3 of this 2015 Act, plus an additional amount estimated by the State Treasurer to be necessary to pay bond-related costs.

(2) Net proceeds of lottery bonds issued under this section and interest earnings in an amount sufficient to provide \$_____ must be transferred to the department to provide a grant to the Office of Emergency Management. The office shall use the grant to fund projects as described in section 3 of this 2015 Act.

(3) The Legislative Assembly finds that the use of lottery bond proceeds pursuant to this section for the purposes of projects related to natural disaster mitigation, prevention, re-

1 **sponse and recovery strategies for consumer-owned utilities creates jobs and furthers eco-**
2 **nomi c development.**

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