

Requested by SENATE COMMITTEE ON FINANCE AND REVENUE

**PROPOSED AMENDMENTS TO
SENATE BILL 845**

1 On page 1 of the printed bill, line 3, after “amending” insert “ORS 327.008
2 and” and after “and” delete the rest of the line.

3 Delete line 4 and insert “declaring an emergency.”.

4 Delete lines 6 through 30 and delete pages 2 and 3 and insert:

5 **“SECTION 1. Section 2 of this 2017 Act is added to and made a part
6 of ORS 475B.700 to 475B.760.**

7 **“SECTION 2. (1) Not later than 30 days before the beginning of each
8 calendar quarter, the Oregon Department of Administrative Services
9 shall forecast and prepare an estimate of the revenue that will be re-
10 ceived during the remainder of the current biennium and subsequent
11 three biennia pursuant to the tax imposed under ORS 475B.705. The
12 estimate may be made on the basis of all pertinent information avail-
13 able to the Oregon Department of Administrative Services. Upon
14 making the estimate, the Oregon Department of Administrative Ser-
15 vices shall report the estimate to the Legislative Revenue Officer, the
16 Legislative Fiscal Office and the Department of Revenue.**

17 **“(2) The Department of Revenue and the Oregon Liquor Control
18 Commission shall provide the Oregon Department of Administrative
19 Services with any information necessary for the Oregon Department
20 of Administrative Services to perform its duties under this section.**

21 **“SECTION 3. Section 44, chapter 1, Oregon Laws 2015, as amended by**

1 section 14, chapter 699, Oregon Laws 2015, and section 219, chapter 767,
2 Oregon Laws 2015, is amended to read:

3 “**Sec. 44.** *[(1) There is established the Oregon Marijuana Account, separate*
4 *and distinct from the General Fund.]*

5 “*[(2) The account shall consist of moneys transferred to the account under*
6 *section 11 of this 2015 Act.]*

7 “*[(3) Subject to subsection (4) of this section, the Department of Revenue*
8 *shall certify the amount of moneys available for distribution in the Oregon*
9 *Marijuana Account and distribute the moneys as follows:]*

10 “*[(a) Forty percent must be transferred to the Common School Fund;]*

11 “*[(b) Twenty percent must be transferred to the Mental Health Alcoholism*
12 *and Drug Services Account established under ORS 430.380;]*

13 “*[(c) Fifteen percent must be transferred to the State Police Account estab-*
14 *lished under ORS 181.175;]*

15 “*[(d) To assist local law enforcement in performing its duties under sections*
16 *3 to 70, chapter 1, Oregon Laws 2015, 10 percent must be transferred to the*
17 *cities of this state in the following shares:]*

18 “*[(A) For all distributions made from the Oregon Marijuana Account be-*
19 *fore July 1, 2017, in such shares as the population of each city bears to the*
20 *population of the cities of this state, as determined by Portland State Univer-*
21 *sity last preceding such apportionment, under ORS 190.510 to 190.610; and]*

22 “*[(B) For all distributions made from the Oregon Marijuana Account on*
23 *or after July 1, 2017:]*

24 “*[(i) Fifty percent of the 10 percent must be transferred in such shares as*
25 *the number of licenses issued by the commission under sections 19 to 21,*
26 *chapter 1, Oregon Laws 2015, during the calendar year preceding the date of*
27 *the distribution for premises located in each city bears to the number of such*
28 *licenses issued by the commission during such calendar year for all premises*
29 *in this state; and]*

30 “*[(ii) Fifty percent of the 10 percent must be transferred in such shares as*

1 *the number of licenses issued by the commission under section 22, chapter 1,*
2 *Oregon Laws 2015, during the calendar year preceding the date of the dis-*
3 *tribution for premises located in each city bears to the number of such licenses*
4 *issued by the commission during such calendar year for all premises in this*
5 *state;]*

6 *“(e) To assist local law enforcement in performing its duties under sections*
7 *3 to 70, chapter 1, Oregon Laws 2015, 10 percent must be transferred to coun-*
8 *ties in the following shares:]*

9 *“(A) For all distributions made from the Oregon Marijuana Account be-*
10 *fore July 1, 2017, in such shares as their respective populations bear to the*
11 *total population of this state, as estimated from time to time by Portland State*
12 *University; and]*

13 *“(B) For all distributions made from the Oregon Marijuana Account on*
14 *or after July 1, 2017:]*

15 *“(i) Fifty percent of the 10 percent must be transferred in such shares as*
16 *the number of licenses issued by the commission under sections 19 to 21,*
17 *chapter 1, Oregon Laws 2015, during the calendar year preceding the date of*
18 *the distribution for premises located in each county bears to the number of*
19 *such licenses issued by the commission during such calendar year for all*
20 *premises in this state; and]*

21 *“(ii) Fifty percent of the 10 percent must be transferred in such shares as*
22 *the number of licenses issued by the commission under section 22, chapter 1,*
23 *Oregon Laws 2015, during the calendar year preceding the date of the dis-*
24 *tribution for premises located in each county bears to the number of such li-*
25 *censes issued by the commission during such calendar year for all premises in*
26 *this state; and]*

27 *“(f) Five percent must be transferred to the Oregon Health Authority to*
28 *be used for the establishment, operation and maintenance of alcohol and drug*
29 *abuse prevention, early intervention and treatment services.]*

30 *“(4) A city or county that adopts ordinances prohibiting the establishment*

1 of a premises for which a license is issued under section 19, 20, 21 or 22,
2 chapter 1, Oregon Laws 2015, or prohibiting the establishment of an entity for
3 which registration is required under ORS 475.300 to 475.346, is not eligible to
4 receive distributions under this section.]

5 “[5] It is the intent of the Legislative Assembly that the moneys distributed
6 from the Oregon Marijuana Account to the persons listed in subsection (3) of
7 this section are in addition to, and not in lieu of, any other moneys available
8 to such persons.]

9 **“(1) There is established the Oregon Marijuana Account, separate
10 and distinct from the General Fund.**

11 **“(2) The account shall consist of moneys transferred to the account
12 under ORS 475B.760.**

13 **“(3)(a) The Department of Revenue shall certify quarterly the
14 amount of moneys available in the Oregon Marijuana Account.**

15 **“(b) Subject to subsection (4) of this section, the department shall
16 transfer quarterly 20 percent of the moneys in the Oregon Marijuana
17 Account as follows:**

18 **“(A) Ten percent of the moneys in the account must be transferred
19 to the cities of this state in the following shares:**

20 **“(i) Seventy-five percent of the 10 percent must be transferred in
21 shares that reflect the population of each city of this state that is not
22 exempt from this paragraph pursuant to subsection (4)(a) of this sec-
23 tion compared to the population of all cities of this state that are not
24 exempt from this paragraph pursuant to subsection (4)(a) of this sec-
25 tion, as determined by Portland State University under ORS 190.510 to
26 190.610, on the date immediately preceding the date of the transfer;
27 and**

28 **“(ii) Twenty-five percent of the 10 percent must be transferred in
29 shares that reflect the number of licenses held pursuant to ORS
30 475B.070, 475B.090, 475B.100 and 475B.110 on the last business day of the**

1 calendar quarter preceding the date of the transfer for premises lo-
2 cated in each city compared to the number of licenses held pursuant
3 to ORS 475B.070, 475B.090, 475B.100 and 475B.110 on the last business
4 day of that calendar quarter for all premises in this state located in
5 cities; and

6 “(B) Ten percent of the moneys in the account must be transferred
7 to counties in the following shares:

8 “(i) Fifty percent of the 10 percent must be transferred in shares
9 that reflect the total commercially available area of all grow canopies
10 associated with marijuana producer licenses held pursuant to 475B.070
11 on the last business day of the calendar quarter preceding the date of
12 the transfer for all premises located in each county compared to the
13 total commercially available area of all grow canopies associated with
14 marijuana producer licenses held pursuant to ORS 475B.070 on the last
15 business day of that calendar quarter for all premises located in this
16 state; and

17 “(ii) Fifty percent of the 10 percent must be transferred in shares
18 that reflect the number of licenses held pursuant to ORS 475B.090,
19 475B.100 and 475B.110 on the last business day of the calendar quarter
20 preceding the date of the transfer for premises located in each county
21 compared to the number of licenses held pursuant to ORS 475B.090,
22 475B.100 and 475B.110 on the last business day of that calendar quarter
23 for all premises in this state.

24 “(c) Eighty percent of the moneys in the Oregon Marijuana Account
25 must be used as follows:

26 “(A) Thirty percent of the moneys in the account must be used
27 solely for purposes for which moneys in the State School Fund estab-
28 lished under ORS 327.008 may be used;

29 “(B) Twenty percent of the moneys in the account must be used
30 solely for purposes for which moneys in the Mental Health Alcoholism

1 and Drug Services Account established under ORS 430.380 may be used;

2 “(C) Fifteen percent of the moneys in the account must be used
3 solely for purposes for which moneys in the State Police Account es-
4 tablished under ORS 181A.020 may be used;

5 “(D) Ten percent of the moneys in the account must be used solely
6 for purposes for which moneys in the Community College Support
7 Fund established under ORS 341.620 may be used; and

8 “(E) Five percent of the moneys in the account must be used solely
9 for purposes related to alcohol and drug abuse prevention, early
10 intervention and treatment services.

11 “(4)(a) A city that has an ordinance prohibiting the establishment
12 of a premises for which issuance of a license under ORS 475B.070,
13 475B.090, 475B.100 or 475B.110 is required is not eligible to receive
14 transfers of moneys under subsection (3)(b)(A) of this section.

15 “(b) A county that has an ordinance prohibiting the establishment
16 of a premises for which issuance of a license under ORS 475B.070 is
17 required is not eligible to receive transfers of moneys under subsection
18 (3)(b)(B)(i) of this section.

19 “(c) A county that has an ordinance prohibiting the establishment
20 of a premises for which issuance of a license under ORS 475B.090,
21 475B.100 or 475B.110 is required is not eligible to receive transfers of
22 moneys under subsection (3)(b)(B)(ii) of this section.

23 “(5) In a form and manner prescribed by the Oregon Liquor Control
24 Commission, each city and county in this state shall certify with the
25 commission whether the city or county has an ordinance prohibiting
26 the establishment of a premises for which issuance of a license under
27 ORS 475B.070, 475B.090, 475B.100 or 475B.110 is required. If a city fails
28 to comply with this subsection, the city is not eligible to receive
29 transfers of moneys under subsection (3)(b)(A) of this section. If a
30 county fails to comply with this subsection, the county is not eligible

1 to receive transfers of moneys under subsection (3)(b)(B) of this sec-
2 tion.

3 “(6) It is the intent of the Legislative Assembly that the moneys
4 transferred from the Oregon Marijuana Account to the persons listed
5 in subsection (3) of this section are in addition to, and not in lieu of,
6 any other moneys available to those persons.

7 “SECTION 4. ORS 327.008 is amended to read:

8 “327.008. (1)(a) There is established a State School Fund in the General
9 Fund.

10 “(b) The Department of Education, on behalf of the State of Oregon, may
11 solicit and accept gifts, grants, donations and other moneys from public and
12 private sources for the State School Fund. Moneys received as provided in
13 this paragraph shall be deposited into the State School Fund.

14 “(c) The State School Fund shall consist of moneys appropriated by the
15 Legislative Assembly, moneys transferred from the Education Stability Fund
16 and the Oregon Marijuana Account and moneys received as provided in
17 paragraph (b) of this subsection.

18 “(d) The State School Fund is continuously appropriated to the Depart-
19 ment of Education for the purposes of ORS 327.006 to 327.077, 327.095,
20 327.099, 327.101, 327.125, 327.137, 327.348, 336.575, 336.580, 336.635, 343.243,
21 343.533, 343.941 and 343.961 and sections 1 to 3, chapter 735, Oregon Laws
22 2013.

23 “(2) There shall be apportioned from the State School Fund to each school
24 district a State School Fund grant, consisting of the positive amount equal
25 to a general purpose grant and a facility grant and a transportation grant
26 and a high cost disabilities grant minus local revenue, computed as provided
27 in ORS 327.011 and 327.013.

28 “(3) For the first school year after a public charter school ceases to op-
29 erate because of dissolution or closure or because of termination or
30 nonrenewal of a charter, there shall be apportioned from the State School

1 Fund to each school district that had sponsored a public charter school that
2 ceased to operate an amount equal to the school district's general purpose
3 grant per extended ADMw multiplied by five percent of the ADM of the
4 public charter school for the previous school year.

5 “(4) There shall be apportioned from the State School Fund to each edu-
6 cation service district a State School Fund grant as calculated under ORS
7 327.019.

8 “(5) All figures used in the determination of the distribution of the State
9 School Fund shall be estimates for the same year as the distribution occurs,
10 unless otherwise specified.

11 “(6) Numbers of students in average daily membership used in the dis-
12 tribution formula shall be the numbers as of June of the year of distribution.

13 “(7) A school district may not use the portion of the State School Fund
14 grant that is attributable to the facility grant for capital construction costs.

15 “(8) The total amount of the State School Fund that is distributed as fa-
16 cility grants may not exceed \$9 million in any biennium. If the total amount
17 to be distributed as facility grants exceeds this limitation, the Department
18 of Education shall prorate the amount of funds available for facility grants
19 among those school districts that qualified for a facility grant. If the total
20 amount to be distributed as facility grants does not exceed this limitation,
21 any remaining amounts shall be expended for expenses incurred by the Office
22 of School Facilities as provided in ORS 326.125 (1).

23 “(9) Each biennium, the Department of Education may expend from the
24 State School Fund no more than \$6 million for expenses incurred by the Of-
25 fice of School Facilities under ORS 326.125 (2) to (6).

26 “(10) Each fiscal year, the Department of Education shall transfer to the
27 Pediatric Nursing Facility Account established in ORS 327.022 the amount
28 necessary to pay the costs of educational services provided to students ad-
29 mitted to pediatric nursing facilities as provided in ORS 343.941.

30 “(11) Each fiscal year, the Department of Education shall transfer the

1 amount of \$35 million from the State School Fund to the High Cost Disa-
2 bilities Account established in ORS 327.348.

3 “(12)(a) Each biennium, the Department of Education shall transfer \$33
4 million from the State School Fund to the Network of Quality Teaching and
5 Learning Fund established under ORS 342.953.

6 “(b) For the purpose of making the transfer under this subsection:

7 “(A) The total amount available for all distributions from the State
8 School Fund shall be reduced by \$5 million;

9 “(B) The amount distributed to school districts from the State School
10 Fund under this section and ORS 327.013 shall be reduced by \$14 million; and

11 “(C) The amount distributed to education service districts from the State
12 School Fund under this section and ORS 327.019 shall be reduced by \$14
13 million.

14 “(c) For each biennium, the amounts identified in paragraph (b)(B) and
15 (C) of this subsection shall be adjusted by the same percentage by which the
16 amount appropriated to the State School Fund for that biennium is increased
17 or decreased compared with the preceding biennium, as determined by the
18 Department of Education after consultation with the Legislative Fiscal Of-
19 ficer.

20 “(13) Each biennium, the Department of Education shall transfer \$12.5
21 million from the State School Fund to the Statewide English Language
22 Learner Program Account established under ORS 327.344.

23 “(14) Each fiscal year, the Department of Education may expend up to
24 \$550,000 from the State School Fund for the contract described in ORS
25 329.488. The amount distributed to education service districts from the State
26 School Fund under this section and ORS 327.019 shall be reduced by the
27 amount expended by the department under this subsection.

28 “(15) Each biennium, the Department of Education may expend up to
29 \$350,000 from the State School Fund to provide administration of and support
30 for the development of talented and gifted education under ORS 343.404.

1 “(16) Each biennium, the Department of Education may expend up to
2 \$150,000 from the State School Fund for the administration of a program to
3 increase the number of speech-language pathologists and speech-language
4 pathology assistants under ORS 348.394 to 348.406.

5 “(17) Each fiscal year, the Department of Education shall transfer the
6 amount of \$2.5 million from the State School Fund to the Small School Dis-
7 trict Supplement Fund established in section 3, chapter 735, Oregon Laws
8 2013.

9 **“SECTION 5.** ORS 327.008, as amended by section 7, chapter 735, Oregon
10 Laws 2013, section 7, chapter 81, Oregon Laws 2014, section 2, chapter 68,
11 Oregon Laws 2015, section 38, chapter 245, Oregon Laws 2015, section 2,
12 chapter 555, Oregon Laws 2015, section 11, chapter 604, Oregon Laws 2015,
13 section 2, chapter 644, Oregon Laws 2015, and section 8, chapter 783, Oregon
14 Laws 2015, is amended to read:

15 “327.008. (1)(a) There is established a State School Fund in the General
16 Fund.

17 “(b) The Department of Education, on behalf of the State of Oregon, may
18 solicit and accept gifts, grants, donations and other moneys from public and
19 private sources for the State School Fund. Moneys received as provided in
20 this paragraph shall be deposited into the State School Fund.

21 “(c) The State School Fund shall consist of moneys appropriated by the
22 Legislative Assembly, moneys transferred from the Education Stability Fund
23 **and the Oregon Marijuana Account** and moneys received as provided in
24 paragraph (b) of this subsection.

25 “(d) The State School Fund is continuously appropriated to the Depart-
26 ment of Education for the purposes of ORS 327.006 to 327.077, 327.095,
27 327.099, 327.101, 327.125, 327.137, 327.348, 336.575, 336.580, 336.635, 343.243,
28 343.533, 343.941 and 343.961.

29 “(2) There shall be apportioned from the State School Fund to each school
30 district a State School Fund grant, consisting of the positive amount equal

1 to a general purpose grant and a facility grant and a transportation grant
2 and a high cost disabilities grant minus local revenue, computed as provided
3 in ORS 327.011 and 327.013.

4 “(3) For the first school year after a public charter school ceases to op-
5 erate because of dissolution or closure or because of termination or
6 nonrenewal of a charter, there shall be apportioned from the State School
7 Fund to each school district that had sponsored a public charter school that
8 ceased to operate an amount equal to the school district’s general purpose
9 grant per extended ADMw multiplied by five percent of the ADM of the
10 public charter school for the previous school year.

11 “(4) There shall be apportioned from the State School Fund to each edu-
12 cation service district a State School Fund grant as calculated under ORS
13 327.019.

14 “(5) All figures used in the determination of the distribution of the State
15 School Fund shall be estimates for the same year as the distribution occurs,
16 unless otherwise specified.

17 “(6) Numbers of students in average daily membership used in the dis-
18 tribution formula shall be the numbers as of June of the year of distribution.

19 “(7) A school district may not use the portion of the State School Fund
20 grant that is attributable to the facility grant for capital construction costs.

21 “(8) The total amount of the State School Fund that is distributed as fa-
22 cility grants may not exceed \$9 million in any biennium. If the total amount
23 to be distributed as facility grants exceeds this limitation, the Department
24 of Education shall prorate the amount of funds available for facility grants
25 among those school districts that qualified for a facility grant. If the total
26 amount to be distributed as facility grants does not exceed this limitation,
27 any remaining amounts shall be expended for expenses incurred by the Office
28 of School Facilities as provided in ORS 326.125 (1).

29 “(9) Each biennium, the Department of Education may expend from the
30 State School Fund no more than \$6 million for expenses incurred by the Of-

1 fice of School Facilities under ORS 326.125 (2) to (6).

2 “(10) Each fiscal year, the Department of Education shall transfer to the
3 Pediatric Nursing Facility Account established in ORS 327.022 the amount
4 necessary to pay the costs of educational services provided to students ad-
5 mitted to pediatric nursing facilities as provided in ORS 343.941.

6 “(11) Each fiscal year, the Department of Education shall transfer the
7 amount of \$35 million from the State School Fund to the High Cost Disa-
8 bilities Account established in ORS 327.348.

9 “(12)(a) Each biennium, the Department of Education shall transfer \$33
10 million from the State School Fund to the Network of Quality Teaching and
11 Learning Fund established under ORS 342.953.

12 “(b) For the purpose of making the transfer under this subsection:

13 “(A) The total amount available for all distributions from the State
14 School Fund shall be reduced by \$5 million;

15 “(B) The amount distributed to school districts from the State School
16 Fund under this section and ORS 327.013 shall be reduced by \$14 million; and

17 “(C) The amount distributed to education service districts from the State
18 School Fund under this section and ORS 327.019 shall be reduced by \$14
19 million.

20 “(c) For each biennium, the amounts identified in paragraph (b)(B) and
21 (C) of this subsection shall be adjusted by the same percentage by which the
22 amount appropriated to the State School Fund for that biennium is increased
23 or decreased compared with the preceding biennium, as determined by the
24 Department of Education after consultation with the Legislative Fiscal Of-
25 ficer.

26 “(13) Each biennium, the Department of Education shall transfer \$12.5
27 million from the State School Fund to the Statewide English Language
28 Learner Program Account established under ORS 327.344.

29 “(14) Each fiscal year, the Department of Education may expend up to
30 \$550,000 from the State School Fund for the contract described in ORS

1 329.488. The amount distributed to education service districts from the State
2 School Fund under this section and ORS 327.019 shall be reduced by the
3 amount expended by the department under this subsection.

4 “(15) Each biennium, the Department of Education may expend up to
5 \$350,000 from the State School Fund to provide administration of and support
6 for the development of talented and gifted education under ORS 343.404.

7 “(16) Each biennium, the Department of Education may expend up to
8 \$150,000 from the State School Fund for the administration of a program to
9 increase the number of speech-language pathologists and speech-language
10 pathology assistants under ORS 348.394 to 348.406.

11 **“SECTION 6. (1) Notwithstanding section 44 (3)(b)(A), chapter 1,
12 Oregon Laws 2015, 10 percent of the moneys transferred to the Oregon
13 Marijuana Account that were collected before July 1, 2017, must be
14 transferred to the cities of this state in shares that reflect the popu-
15 lation of each city of this state compared to the population of all cities
16 of this state on July 1, 2017, as determined by Portland State Univer-
17 sity under ORS 190.510 to 190.610.**

18 **“(2) Notwithstanding section 44 (3)(b)(B), chapter 1, Oregon Laws
19 2015, 10 percent of the moneys transferred to the Oregon Marijuana
20 Account that were collected before July 1, 2017, must be transferred
21 to the counties of this state in shares that reflect the population of
22 each county of this state compared to the population of all counties
23 of this state on July 1, 2017, as determined by Portland State Univer-
24 sity under ORS 190.510 to 190.610.**

25 **“SECTION 7. Section 6 of this 2017 Act is repealed on January 1,
26 2018.**

27 **“SECTION 8. The amendments to section 44, chapter 1, Oregon
28 Laws 2015, by section 3 of this 2017 Act apply to moneys transferred
29 or used by the Department of Revenue on and after the effective date
30 of this 2017 Act.**

