

## SENATE AMENDMENTS TO SENATE BILL 1566

By COMMITTEE ON WORKFORCE

February 15

1 On page 1 of the printed bill, line 2, after “System;” insert “creating new provisions; amending  
2 ORS 475B.759 and 475B.895;”.

3 Delete lines 14 through 16.

4 On page 2, line 21, delete “employer’s employer”.

5 In line 22, delete “contribution rate calculated under ORS 238.225” and insert “unfunded  
6 actuarial liability attributable to the employer, as determined in the most recent report prepared  
7 under ORS 238.605;”.

8 After line 23, insert:

9 “(c) After the 180-day period described in paragraph (b) of this subsection, any participating  
10 public employer may apply to reserve matching funds from the Employer Incentive Fund under  
11 subsection (1) of this section.”.

12 Delete lines 39 through 45 and delete pages 3 through 6.

13 On page 7, delete lines 1 through 37 and insert:  
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### “AMORTIZATION PERIOD FOR LUMP SUM PAYMENTS

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17 “**SECTION 3a.** Section 3b of this 2018 Act is added to and made a part of ORS chapter  
18 **238.**

19 “**SECTION 3b.** If a participating public employer makes a lump sum payment to an ac-  
20 count established under ORS 238.229 in an amount equal to or greater than \$10 million, the  
21 Public Employees Retirement Board shall allow the participating public employer to choose  
22 an amortization period of six years, 10 years, 16 years or 20 years for the use of the lump  
23 sum payment to offset contributions to the system that the public employer would otherwise  
24 be required to make for the liabilities against which the lump sum payment is applied.

25 “**NOTE:** Sections 4 through 11 were deleted by amendment. Subsequent sections were not re-  
26 numbered.  
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### “PROCEEDS FROM DEBT COLLECTION

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30 “**SECTION 12.** (1) Not later than January 31 of each year, the Oregon Department of  
31 Administrative Services shall calculate:

32 “(a) The average amount per fiscal year collected by or on behalf of state agencies re-  
33 quired to report under ORS 293.229 for liquidated and delinquent accounts owed to the Gen-  
34 eral Fund during the three fiscal years preceding the immediately preceding fiscal year; and

35 “(b) The amount collected by or on behalf of state agencies required to report under ORS

1 293.229 for liquidated and delinquent accounts owed to the General Fund during the imme-  
2 diately preceding fiscal year, as reported under ORS 293.229.

3 “(2) If the amount calculated under subsection (1)(b) of this section exceeds the average  
4 calculated under subsection (1)(a) of this section, the department shall coordinate the  
5 transfer from the General Fund of an amount equal to the excess, less any amount required  
6 to be returned to taxpayers under ORS 291.349, to the Public Employees Retirement Fund  
7 established in ORS 238.660. The department shall coordinate the transfer of amounts required  
8 under this section at least once in each biennium. The Public Employees Retirement Board  
9 shall credit the amounts transferred to the account established under section 24 (1) of this  
10 2018 Act.

11 “SECTION 12a. (1) The Oregon Department of Administrative Services shall make the  
12 first calculation under section 12 (1)(a) of this 2018 Act no later than January 31, 2019, for  
13 the three fiscal years beginning July 1, 2014.

14 “(2) Notwithstanding section 12 (2) of this 2018 Act, the department shall coordinate the  
15 first transfer of amounts required under section 12 (2) of this 2018 Act no later than January  
16 31, 2020.

17 “SECTION 12b. Section 12 of this 2018 Act is repealed on December 31, 2024.

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19 “PROCEEDS FROM CAPITAL GAINS TAX  
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21 “SECTION 13. (1) Not earlier than July 1 and not later than October 1 of the years 2019,  
22 2021 and 2023, the division of the Oregon Department of Administrative Services that serves  
23 as office of economic analysis shall:

24 “(a) Calculate the rate of change in the tax liability from personal income taxes on tax-  
25 able capital gains during the five preceding biennia; and

26 “(b) Use the rate of change calculated under paragraph (a) of this subsection to forecast  
27 the tax liability from personal income taxes on taxable capital gains for the biennium begin-  
28 ning on July 1 of the year in which the calculation is made.

29 “(2) Not later than November 1 of the odd-numbered year following each calculation un-  
30 der subsection (1) of this section, the Oregon Department of Administrative Services, in  
31 consultation with the Department of Revenue, shall estimate the tax liability from personal  
32 income taxes on taxable capital gains for the previous biennium.

33 “(3) Not later than November 30 of the odd-numbered year in which the estimate is made  
34 under subsection (2) of this section, the Oregon Department of Administrative Services, in  
35 consultation with the Department of Revenue, shall determine whether the tax liability from  
36 personal income taxes on capital gains estimated under subsection (2) of this section exceeds  
37 the tax liability from personal income taxes on taxable capital gains forecasted under sub-  
38 section (1) of this section.

39 “(4) The Department of Revenue shall transfer an amount equal to the amount of any  
40 excess calculated under subsection (3) of this section, less any amount required to be re-  
41 turned to taxpayers under ORS 291.349, to the Public Employees Retirement Fund established  
42 under ORS 238.660. The Public Employees Retirement Board shall credit the amounts trans-  
43 ferred to the account established under section 24 (1) of this 2018 Act.

44 “(5) The Department of Revenue shall retain unreceipted revenue from the tax imposed  
45 under ORS chapter 316 in an amount necessary to make the transfer required under sub-

1 section (4) of this section. The department shall make the transfer out of the unreceipted  
2 revenue in lieu of paying the revenue over to the State Treasurer for deposit in the General  
3 Fund.

4 **“SECTION 14.** The division of the Oregon Department of Administrative Services that  
5 serves as office of economic analysis shall make the first calculation required under section  
6 13 (1) of this 2018 Act not later than October 1, 2019. The calculation shall be for the five  
7 biennia beginning July 1, 2009.

8  
9 **“PROCEEDS FROM ESTATE TAXES**

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11 **“SECTION 15.** (1) Not earlier than July 1 and not later than October 1 of the years 2019,  
12 2021 and 2023, the division of the Oregon Department of Administrative Services that serves  
13 as office of economic analysis shall:

14 **“(a)** Calculate the rate of change in collections from estate taxes during the five preced-  
15 ing biennia; and

16 **“(b)** Use the rate of change calculated under paragraph (a) of this subsection to forecast  
17 the collections from estate taxes for the biennium beginning on July 1 of the year in which  
18 the calculation is made.

19 **“(2)** Not later than November 1 of the odd-numbered year following each calculation un-  
20 der subsection (1) of this section, the Oregon Department of Administrative Services, in  
21 consultation with the Department of Revenue, shall estimate the collections from estate  
22 taxes for the previous biennium.

23 **“(3)** Not later than November 30 of the odd-numbered year in which the estimate is made  
24 under subsection (2) of this section, the Oregon Department of Administrative Services, in  
25 consultation with the Department of Revenue, shall determine whether the collections from  
26 estate taxes estimated under subsection (2) of this section exceed the collections from estate  
27 taxes forecasted under subsection (1) of this section.

28 **“(4)** The Department of Revenue shall transfer an amount equal to the amount of any  
29 excess calculated under subsection (3) of this section, less any amount required to be re-  
30 turned to taxpayers under ORS 291.349, to the Public Employees Retirement Fund established  
31 under ORS 238.660. The Public Employees Retirement Board shall credit the amounts trans-  
32 ferred to the account established under section 24 (1) of this 2018 Act.

33 **“(5)** The Department of Revenue shall retain unreceipted revenue from estate taxes im-  
34 posed under ORS 118.005 to 118.540 in an amount necessary to make the transfer required  
35 under subsection (4) of this section. The department shall make the transfer out of the un-  
36 receipted revenue in lieu of paying the revenue over to the State Treasurer for deposit in the  
37 General Fund.

38 **“SECTION 16.** The division of the Oregon Department of Administrative Services that  
39 serves as office of economic analysis shall make the first calculation required under section  
40 15 (1) of this 2018 Act not later than October 1, 2019. The calculation shall be for the five  
41 biennia beginning January 1, 2009.”.

42 In line 41, delete “2021,” and insert “2019, 2021 and”.

43 In line 42, delete “and 2025”.

44 On page 8, delete line 6 and insert “, less the 20 percent of the moneys transferred to the  
45 Oregon Marijuana Account under ORS 475B.760 that are required to be transferred to cities and

1 counties under ORS 475B.759 (3)(b), from the Oregon Marijuana Account established under ORS  
2 475B.759 to the Public Employees Retire-”.

3 After line 14, insert:

4 “**SECTION 17a.** ORS 475B.759 is amended to read:

5 “475B.759. (1) There is established the Oregon Marijuana Account, separate and distinct from  
6 the General Fund.

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

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

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

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

14 “(i) Seventy-five percent of the 10 percent must be transferred in shares that reflect the popu-  
15 lation of each city of this state that is not exempt from this paragraph pursuant to subsection (4)(a)  
16 of this section compared to the population of all cities of this state that are not exempt from this  
17 paragraph pursuant to subsection (4)(a) of this section, as determined by Portland State University  
18 under ORS 190.510 to 190.610, on the date immediately preceding the date of the transfer; and

19 “(ii) Twenty-five percent of the 10 percent must be transferred in shares that reflect the number  
20 of licenses held pursuant to ORS 475B.070, 475B.090, 475B.100 and 475B.105 on the last business day  
21 of the calendar quarter preceding the date of the transfer for premises located in each city compared  
22 to the number of licenses held pursuant to ORS 475B.070, 475B.090, 475B.100 and 475B.105 on the  
23 last business day of that calendar quarter for all premises in this state located in cities; and

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

26 “(i) Fifty percent of the 10 percent must be transferred in shares that reflect the total commer-  
27 cially available area of all grow canopies associated with marijuana producer licenses held pursuant  
28 to ORS 475B.070 on the last business day of the calendar quarter preceding the date of the transfer  
29 for all premises located in each county compared to the total commercially available area of all  
30 grow canopies associated with marijuana producer licenses held pursuant to ORS 475B.070 on the  
31 last business day of that calendar quarter for all premises located in this state; and

32 “(ii) Fifty percent of the 10 percent must be transferred in shares that reflect the number of li-  
33 censes held pursuant to ORS 475B.090, 475B.100 and 475B.105 on the last business day of the cal-  
34 endar quarter preceding the date of the transfer for premises located in each county compared to  
35 the number of licenses held pursuant to ORS 475B.090, 475B.100 and 475B.105 on the last business  
36 day of that calendar quarter for all premises in this state.

37 “(c) [*Eighty percent of*] **The remainder of** the moneys in the Oregon Marijuana Account **after**  
38 **the transfers required by paragraph (b) of this subsection and section 17 of this 2018 Act** must  
39 be used as follows:

40 “(A) [*Forty*] **50** percent of the **remaining** moneys in the account must be used solely for pur-  
41 poses for which moneys in the State School Fund established under ORS 327.008 may be used;

42 “(B) [*Twenty*] **25** percent of the **remaining** moneys in the account must be used solely for pur-  
43 poses for which moneys in the Mental Health Alcoholism and Drug Services Account established  
44 under ORS 430.380 may be used;

45 “(C) [*Fifteen*] **18.75** percent of the **remaining** moneys in the account must be used solely for

1 purposes for which moneys in the State Police Account established under ORS 181A.020 may be  
2 used; and

3 “(D) [Five] **6.25** percent of the **remaining** moneys in the account must be used solely for pur-  
4 poses related to alcohol and drug abuse prevention, early intervention and treatment services.

5 “(4)(a) A city that has an ordinance prohibiting the establishment of a premises for which issu-  
6 ance of a license under ORS 475B.070, 475B.090, 475B.100 or 475B.105 is required is not eligible to  
7 receive transfers of moneys under subsection (3)(b)(A) of this section.

8 “(b) A county that has an ordinance prohibiting the establishment of a premises for which is-  
9 suance of a license under ORS 475B.070 is required is not eligible to receive transfers of moneys  
10 under subsection (3)(b)(B)(i) of this section.

11 “(c) A county that has an ordinance prohibiting the establishment of a premises for which is-  
12 suance of a license under ORS 475B.090, 475B.100 or 475B.105 is required is not eligible to receive  
13 transfers of moneys under subsection (3)(b)(B)(ii) of this section.

14 “(5) In a form and manner prescribed by the Oregon Liquor Control Commission, each city and  
15 county in this state shall certify with the commission whether the city or county has an ordinance  
16 prohibiting the establishment of a premises for which issuance of a license under ORS 475B.070,  
17 475B.090, 475B.100 or 475B.105 is required. If a city fails to comply with this subsection, the city is  
18 not eligible to receive transfers of moneys under subsection (3)(b)(A) of this section. If a county fails  
19 to comply with this subsection, the county is not eligible to receive transfers of moneys under sub-  
20 section (3)(b)(B) of this section.

21 “**SECTION 17b.** ORS 475B.895 is amended to read:

22 “475B.895. (1) The Oregon Health Authority shall enter into an agreement with the Oregon Li-  
23 quor Control Commission under which the commission shall use the system developed and main-  
24 tained under ORS 475B.177 to track:

25 “(a) The propagation of immature marijuana plants and the production of marijuana by  
26 marijuana grow sites;

27 “(b) The processing of marijuana into medical cannabinoid products, cannabinoid concentrates  
28 and cannabinoid extracts that are transferred to a medical marijuana dispensary;

29 “(c) The transfer of usable marijuana, immature marijuana plants, medical cannabinoid products,  
30 cannabinoid concentrates and cannabinoid extracts by a marijuana grow site or a medical marijuana  
31 dispensary to a registry identification cardholder or the designated primary caregiver of a registry  
32 identification cardholder; and

33 “(d) The transfer of usable marijuana, immature marijuana plants, medical cannabinoid products,  
34 cannabinoid concentrates and cannabinoid extracts between marijuana grow sites, marijuana pro-  
35 cessing sites and medical marijuana dispensaries.

36 “(2) Marijuana grow sites, marijuana processing sites, medical marijuana dispensaries and any  
37 other person that processes marijuana into medical cannabinoid products and cannabinoid concen-  
38 trates for the purpose of transferring the medical cannabinoid products and cannabinoid concen-  
39 trates to a medical marijuana dispensary are subject to tracking under this section.

40 “(3) On and after the date on which a marijuana grow site becomes subject to tracking under  
41 this section, the person is exempt from the requirements of ORS 475B.816 and the provisions of ORS  
42 475B.810 that relate to ORS 475B.816.

43 “(4) On and after the date on which a marijuana processing site becomes subject to tracking  
44 under this section, the marijuana processing site is exempt from the requirements of ORS 475B.846  
45 and the provisions of ORS 475B.840 that relate to ORS 475B.846.

1 “(5) On and after the date on which a medical marijuana dispensary becomes subject to tracking  
2 under this section, the medical marijuana dispensary is exempt from the requirements of ORS  
3 475B.867 and the provisions of ORS 475B.858 that relate to ORS 475B.867.

4 “(6) The commission may conduct inspections and investigations of alleged violations of ORS  
5 475B.785 to 475B.949 about which the commission obtains knowledge as a result of performing the  
6 commission’s duties under this section. Notwithstanding ORS 475B.299, the commission may use  
7 regulatory specialists, as defined in ORS 471.001, to conduct the inspections and investigations, in-  
8 cluding inspections and investigations of marijuana grow sites located at a primary residence.

9 “(7) Notwithstanding ORS 475B.759 **and section 17 of this 2018 Act**, before making any other  
10 distribution from the Oregon Marijuana Account established under ORS 475B.759, the Department  
11 of Revenue shall first distribute moneys quarterly from the account to the commission for deposit  
12 in the Marijuana Control and Regulation Fund established under ORS 475B.296 for purposes of  
13 paying administrative, inspection and investigatory costs incurred by the commission under this  
14 section, provided that the amount of distributed moneys does not exceed \$1.25 million per quarter.  
15 For purposes of estimating the amount of moneys necessary to pay costs incurred under this section,  
16 the commission shall establish a formulary based on expected costs for each marijuana grow site,  
17 marijuana processing site or medical marijuana dispensary that is tracked under this section. The  
18 commission shall provide to the Department of Revenue and the Legislative Fiscal Officer before  
19 each quarter the estimated amount of moneys necessary to pay costs expected to be incurred under  
20 this section and the formulary.

21 “(8) When imposing a fee on a person responsible for a marijuana grow site, marijuana pro-  
22 cessing site or medical marijuana dispensary under ORS 475B.810, 475B.840 or 475B.858, the au-  
23 thority shall impose an additional fee that is reasonably calculated to pay costs incurred under this  
24 section other than costs paid pursuant to subsection (7) of this section. As part of the agreement  
25 entered into under subsection (1) of this section, the authority shall transfer fee moneys collected  
26 pursuant to this subsection to the commission for deposit in the Marijuana Control and Regulation  
27 Fund established under ORS 475B.296. Moneys collected pursuant to this subsection and deposited  
28 in the Marijuana Control and Regulation Fund are continuously appropriated to the commission for  
29 purposes of this section.

30 “(9) The authority and the commission may adopt rules as necessary to administer this section.

31 “(10) This section does not apply to a marijuana grow site located at an address where a reg-  
32 istry identification cardholder produces marijuana and no more than 12 mature marijuana plants and  
33 24 immature marijuana plants are produced at the address.”.

34 In line 19, delete “2021,” and insert “2019, 2021 and”.

35 In line 20, delete “and 2025”.

36 In line 38, delete “October” and insert “December”.

37 In line 40, after “revenues” insert “, including unclaimed prizes,”.

38 In line 42, delete “first” and insert “second”.

39 In line 44, after “revenues” insert “, including unclaimed prizes,”.

40 On page 9, line 4, delete “State Lottery”.

41 In line 5, delete the first “Fund” and insert “Administrative Services Economic Development  
42 Fund established in ORS 461.540”.

43 Delete lines 10 through 37 and insert:  
44  
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**“PROCEEDS FROM LAWSUIT SETTLEMENTS**

