

SB 1566-1
(LC 248)
2/5/18 (MNJ/ps)

Requested by SENATE COMMITTEE ON WORKFORCE

**PROPOSED AMENDMENTS TO
SENATE BILL 1566**

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

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

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

7 After line 23, insert:

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

11 Delete lines 44 and 45 and insert:

12 “(2) The tax amnesty program shall be conducted during the period be-
13 ginning on October 1, 2019, and ending November 19, 2019.”.

14 On page 3, line 16, delete “2017” and insert “2018”.

15 In line 18, delete “2017” and insert “2018”.

16 In line 20, delete “2017” and insert “2018”.

17 In line 22, delete “2017” and insert “2018”.

18 In line 24, delete “2017” and insert “2018”.

19 On page 4, line 1, after “Code” insert “and whose bankruptcy case is open
20 during the period described in section 4 (2) of this 2018 Act”.

21 In line 20, delete “2020” and insert “2021”.

1 On page 5, line 8, delete “2023” and insert “2024”.

2 In line 10, delete “2023” and insert “2024”.

3 In line 11, delete “2023” and insert “2024”.

4 In line 34, delete “2021” and insert “2022”.

5 Delete lines 42 through 45 and delete page 6.

6 On page 7, delete lines 1 through 37 and insert:

7

8 **“PROCEEDS FROM DEBT COLLECTION**

9

10 **“SECTION 12. (1) For the purposes of calculations under this sec-**
11 **tion, the amount collected by the Department of Revenue for liqui-**
12 **dated and delinquent accounts under ORS 293.231 and 293.250 does not**
13 **include:**

14 **“(a) Accounts owed in whole or in part to any entity or person that**
15 **is not a state agency, including but not limited to debts for child**
16 **support collected on behalf of the Child Support Program described in**
17 **ORS 180.345 or a custodial parent;**

18 **“(b) Accounts owed to funds dedicated to a specified object or pur-**
19 **pose by the Oregon Constitution or by federal law; or**

20 **“(c) Accounts owed to a trust fund, as defined in ORS 291.002.**

21 **“(2) Not earlier than July 1 and not later than October 1 of the**
22 **years 2019, 2021 and 2023, the Department of Revenue shall calculate**
23 **the average biennial amount collected by the department for liquidated**
24 **and delinquent accounts under ORS 293.231 and 293.250 during the**
25 **three biennia preceding the immediately preceding biennium.**

26 **“(3) Notwithstanding ORS 293.250, if the amount collected by the**
27 **department for liquidated and delinquent accounts under ORS 293.231**
28 **and 293.250 during the immediately preceding biennium exceeds the**
29 **average biennial amount calculated under subsection (2) of this sec-**
30 **tion, the department shall transfer an amount equal to the excess to**

1 the Public Employees Retirement Fund established in ORS 238.660. The
2 Public Employees Retirement Board shall credit the amounts trans-
3 ferred to the account established under section 24 (1) of this 2018 Act.

4 “(4) The department shall retain amounts collected by the depart-
5 ment for liquidated and delinquent accounts under ORS 293.231 and
6 293.250 in an amount necessary to make the transfer required under
7 subsection (3) of this section. The department shall make the transfer
8 out of the amounts retained in lieu of crediting the proceeds to the
9 accounts or funds of state agencies or counties.

10 “(5) The department shall make the first calculation under sub-
11 section (2) of this section for the three biennia beginning July 1, 2011.

12
13 **“PROCEEDS FROM CAPITAL GAINS TAX**

14
15 **“SECTION 13. (1) Not earlier than July 1 and not later than October**
16 **1 of the years 2019, 2021, and 2023, the division of the Oregon Depart-**
17 **ment of Administrative Services that serves as office of economic**
18 **analysis shall calculate the average percentage increase or decrease in**
19 **the annual tax liability from personal income taxes on taxable capital**
20 **gains during the 10 preceding consecutive complete tax years.**

21 “(2) Not later than June 15 of the odd-numbered year following each
22 calculation under subsection (1) of this section, the Oregon Depart-
23 ment of Administrative Services, in consultation with the Department
24 of Revenue, shall estimate the average annual tax liability from per-
25 sonal income taxes on taxable capital gains during the two consecutive
26 tax years beginning January 1 of the immediately preceding odd-
27 numbered year.

28 “(3) Not later than June 30 of the odd-numbered year in which the
29 estimate is made under subsection (2) of this section, the Oregon De-
30 partment of Administrative Services, in consultation with the De-

1 department of Revenue, shall determine whether the average annual tax
2 liability from personal income taxes on capital gains estimated under
3 subsection (2) of this section exceeds the annual tax liability from
4 personal income taxes on taxable capital gains for the last tax year
5 included in the calculation under subsection (1) of this section by more
6 than the average percentage increase or decrease in the annual tax
7 liability from personal income taxes on taxable capital gains calculated
8 under subsection (1) of this section.

9 “(4) The Department of Revenue shall transfer an amount equal to
10 the amount of any excess calculated under subsection (3) of this sec-
11 tion, less any amount required to be returned to taxpayers under ORS
12 291.349, to the Public Employees Retirement Fund established under
13 ORS 238.660. The Public Employees Retirement Board shall credit the
14 amounts transferred to the account established under section 24 (1)
15 of this 2018 Act.

16 “(5) The Department of Revenue shall retain unreceipted revenue
17 from the tax imposed under ORS chapter 316 in an amount necessary
18 to make the transfer required under subsection (4) of this section. The
19 department shall make the transfer out of the unreceipted revenue in
20 lieu of paying the revenue over to the State Treasurer for deposit in
21 the General Fund.

22 “SECTION 14. (1) The division of the Oregon Department of Ad-
23 ministrative Services that serves as office of economic analysis shall
24 make the first calculation required under section 13 (1) of this 2018
25 Act not later than October 1, 2019. The calculation shall be for the 10
26 consecutive tax years beginning January 1, 2009.

27 “(2) The first transfer under section 13 of this 2018 Act to the Public
28 Employees Retirement Fund established under ORS 238.660 may not
29 occur prior to June 1, 2021.

30

1 **“PROCEEDS FROM ESTATE TAXES**

2
3 **“SECTION 15. (1) Not earlier than July 1 and not later than October**
4 **1 of the years 2019, 2021, and 2023, the division of the Oregon Depart-**
5 **ment of Administrative Services that serves as office of economic**
6 **analysis shall calculate the average percentage increase or decrease in**
7 **the annual tax liability from estate taxes during the 10 preceding**
8 **consecutive complete tax years.**

9 **“(2) Not later than June 15 of the odd-numbered year following each**
10 **calculation under subsection (1) of this section, the Oregon Depart-**
11 **ment of Administrative Services, in consultation with the Department**
12 **of Revenue, shall estimate the average annual tax liability from estate**
13 **taxes during the two consecutive tax years beginning January 1 of the**
14 **immediately preceding odd-numbered year.**

15 **“(3) Not later than June 30 of the odd-numbered year in which the**
16 **estimate is made under subsection (2) of this section, the Oregon De-**
17 **partment of Administrative Services, in consultation with the De-**
18 **partment of Revenue, shall determine whether the average annual tax**
19 **liability from estate taxes estimated under subsection (2) of this sec-**
20 **tion exceeds the annual tax liability from estate taxes for the last tax**
21 **year included in the calculation under subsection (1) of this section**
22 **by more than the average percentage increase or decrease in the an-**
23 **nuual tax liability from estate taxes calculated under subsection (1) of**
24 **this section.**

25 **“(4) The Department of Revenue shall transfer an amount equal to**
26 **the amount of any excess calculated under subsection (3) of this sec-**
27 **tion, less any amount required to be returned to taxpayers under ORS**
28 **291.349, to the Public Employees Retirement Fund established under**
29 **ORS 238.660. The Public Employees Retirement Board shall credit the**
30 **amounts transferred to the account established under section 24 (1)**

1 of this 2018 Act.

2 “(5) The Department of Revenue shall retain unreceipted revenue
3 from estate taxes imposed under ORS 118.005 to 118.540 in an amount
4 necessary to make the transfer required under subsection (4) of this
5 section. The department shall make the transfer out of the unre-
6 ceipted revenue in lieu of paying the revenue over to the State Treas-
7 urer for deposit in the General Fund.

8 “SECTION 16. (1) The division of the Oregon Department of Ad-
9 ministrative Services that serves as office of economic analysis shall
10 make the first calculation required under section 15 (1) of this 2018
11 Act not later than October 1, 2019. The calculation shall be for the 10
12 consecutive tax years beginning January 1, 2009.

13 “(2) The first transfer under section 15 of this 2018 Act to the Public
14 Employees Retirement Fund established under ORS 238.660 may not
15 occur prior to June 1, 2021.”.

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

17 In line 42, delete “and 2025”.

18 On page 8, delete line 6 and insert “, less the 20 percent of the moneys
19 transferred to the Oregon Marijuana Account under ORS 475B.760 that are
20 required to be transferred to cities and counties under ORS 475B.759 (3)(b),
21 from the Oregon Marijuana Account established under ORS 475B.759 to the
22 Public Employees Retire-”.

23 After line 14, insert:

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

25 “475B.759. (1) There is established the Oregon Marijuana Account, sepa-
26 rate and distinct from the General Fund.

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

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

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

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

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

13 “(ii) Twenty-five percent of the 10 percent must be transferred in shares
14 that reflect the number of licenses held pursuant to ORS 475B.070, 475B.090,
15 475B.100 and 475B.105 on the last business day of the calendar quarter pre-
16 ceding the date of the transfer for premises located in each city compared
17 to the number of licenses held pursuant to ORS 475B.070, 475B.090, 475B.100
18 and 475B.105 on the last business day of that calendar quarter for all prem-
19 ises in this state located in cities; and

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

22 “(i) Fifty percent of the 10 percent must be transferred in shares that re-
23 flect the total commercially available area of all grow canopies associated
24 with marijuana producer licenses held pursuant to ORS 475B.070 on the last
25 business day of the calendar quarter preceding the date of the transfer for
26 all premises located in each county compared to the total commercially
27 available area of all grow canopies associated with marijuana producer li-
28 censes held pursuant to ORS 475B.070 on the last business day of that cal-
29 endar quarter for all premises located in this state; and

30 “(ii) Fifty percent of the 10 percent must be transferred in shares that

1 reflect the number of licenses held pursuant to ORS 475B.090, 475B.100 and
2 475B.105 on the last business day of the calendar quarter preceding the date
3 of the transfer for premises located in each county compared to the number
4 of licenses held pursuant to ORS 475B.090, 475B.100 and 475B.105 on the last
5 business day of that calendar quarter for all premises in this state.

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

9 “(A) [*Forty*] **50** percent of the **remaining** moneys in the account must be
10 used solely for purposes for which moneys in the State School Fund estab-
11 lished under ORS 327.008 may be used;

12 “(B) [*Twenty*] **25** percent of the **remaining** moneys in the account must
13 be used solely for purposes for which moneys in the Mental Health
14 Alcoholism and Drug Services Account established under ORS 430.380 may
15 be used;

16 “(C) [*Fifteen*] **18.75** percent of the **remaining** moneys in the account must
17 be used solely for purposes for which moneys in the State Police Account
18 established under ORS 181A.020 may be used; and

19 “(D) [*Five*] **6.25** percent of the **remaining** moneys in the account must
20 be used solely for purposes related to alcohol and drug abuse prevention,
21 early intervention and treatment services.

22 “(4)(a) A city that has an ordinance prohibiting the establishment of a
23 premises for which issuance of a license under ORS 475B.070, 475B.090,
24 475B.100 or 475B.105 is required is not eligible to receive transfers of moneys
25 under subsection (3)(b)(A) of this section.

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

30 “(c) A county that has an ordinance prohibiting the establishment of a

1 premises for which issuance of a license under ORS 475B.090, 475B.100 or
2 475B.105 is required is not eligible to receive transfers of moneys under
3 subsection (3)(b)(B)(ii) of this section.

4 “(5) In a form and manner prescribed by the Oregon Liquor Control
5 Commission, each city and county in this state shall certify with the com-
6 mission whether the city or county has an ordinance prohibiting the estab-
7 lishment of a premises for which issuance of a license under ORS 475B.070,
8 475B.090, 475B.100 or 475B.105 is required. If a city fails to comply with this
9 subsection, the city is not eligible to receive transfers of moneys under sub-
10 section (3)(b)(A) of this section. If a county fails to comply with this sub-
11 section, the county is not eligible to receive transfers of moneys under
12 subsection (3)(b)(B) of this section.

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

14 “475B.895. (1) The Oregon Health Authority shall enter into an agreement
15 with the Oregon Liquor Control Commission under which the commission
16 shall use the system developed and maintained under ORS 475B.177 to track:

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

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

22 “(c) The transfer of usable marijuana, immature marijuana plants, medical
23 cannabinoid products, cannabinoid concentrates and cannabinoid extracts by
24 a marijuana grow site or a medical marijuana dispensary to a registry iden-
25 tification cardholder or the designated primary caregiver of a registry iden-
26 tification cardholder; and

27 “(d) The transfer of usable marijuana, immature marijuana plants, med-
28 ical cannabinoid products, cannabinoid concentrates and cannabinoid ex-
29 tracts between marijuana grow sites, marijuana processing sites and medical
30 marijuana dispensaries.

1 “(2) Marijuana grow sites, marijuana processing sites, medical marijuana
2 dispensaries and any other person that processes marijuana into medical
3 cannabinoid products and cannabinoid concentrates for the purpose of
4 transferring the medical cannabinoid products and cannabinoid concentrates
5 to a medical marijuana dispensary are subject to tracking under this section.

6 “(3) On and after the date on which a marijuana grow site becomes sub-
7 ject to tracking under this section, the person is exempt from the require-
8 ments of ORS 475B.816 and the provisions of ORS 475B.810 that relate to
9 ORS 475B.816.

10 “(4) On and after the date on which a marijuana processing site becomes
11 subject to tracking under this section, the marijuana processing site is ex-
12 empt from the requirements of ORS 475B.846 and the provisions of ORS
13 475B.840 that relate to ORS 475B.846.

14 “(5) On and after the date on which a medical marijuana dispensary be-
15 comes subject to tracking under this section, the medical marijuana
16 dispensary is exempt from the requirements of ORS 475B.867 and the pro-
17 visions of ORS 475B.858 that relate to ORS 475B.867.

18 “(6) The commission may conduct inspections and investigations of al-
19 leged violations of ORS 475B.785 to 475B.949 about which the commission
20 obtains knowledge as a result of performing the commission’s duties under
21 this section. Notwithstanding ORS 475B.299, the commission may use regu-
22 latory specialists, as defined in ORS 471.001, to conduct the inspections and
23 investigations, including inspections and investigations of marijuana grow
24 sites located at a primary residence.

25 “(7) Notwithstanding ORS 475B.759 **and section 17 of this 2018 Act**, be-
26 fore making any other distribution from the Oregon Marijuana Account es-
27 tablished under ORS 475B.759, the Department of Revenue shall first
28 distribute moneys quarterly from the account to the commission for deposit
29 in the Marijuana Control and Regulation Fund established under ORS
30 475B.296 for purposes of paying administrative, inspection and investigatory

1 costs incurred by the commission under this section, provided that the
2 amount of distributed moneys does not exceed \$1.25 million per quarter. For
3 purposes of estimating the amount of moneys necessary to pay costs incurred
4 under this section, the commission shall establish a formulary based on ex-
5 pected costs for each marijuana grow site, marijuana processing site or
6 medical marijuana dispensary that is tracked under this section. The com-
7 mission shall provide to the Department of Revenue and the Legislative
8 Fiscal Officer before each quarter the estimated amount of moneys necessary
9 to pay costs expected to be incurred under this section and the formulary.

10 “(8) When imposing a fee on a person responsible for a marijuana grow
11 site, marijuana processing site or medical marijuana dispensary under ORS
12 475B.810, 475B.840 or 475B.858, the authority shall impose an additional fee
13 that is reasonably calculated to pay costs incurred under this section other
14 than costs paid pursuant to subsection (7) of this section. As part of the
15 agreement entered into under subsection (1) of this section, the authority
16 shall transfer fee moneys collected pursuant to this subsection to the com-
17 mission for deposit in the Marijuana Control and Regulation Fund estab-
18 lished under ORS 475B.296. Moneys collected pursuant to this subsection and
19 deposited in the Marijuana Control and Regulation Fund are continuously
20 appropriated to the commission for purposes of this section.

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

23 “(10) This section does not apply to a marijuana grow site located at an
24 address where a registry identification cardholder produces marijuana and
25 no more than 12 mature marijuana plants and 24 immature marijuana plants
26 are produced at the address.”.

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

28 In line 20, delete “and 2025”.

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

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

1 On page 9, delete lines 20 through 37 and insert:

2
3 **“PROCEEDS FROM UNCLAIMED PROPERTY**

4
5 **“SECTION 22. (1) The Unclaimed Property PERS Account is estab-**
6 **lished within the Common School Fund. Interest earned by moneys**
7 **credited to the account shall be credited to the account. The following**
8 **moneys in the Common School Fund shall be credited to the account:**

9 **“(a) 35 percent of the proceeds from the sale of unclaimed property**
10 **to which the state has not taken title deposited in the Common School**
11 **Fund under ORS 98.386 on or before December 31, 2012; and**

12 **“(b) 25 percent of the proceeds from the sale of unclaimed property**
13 **to which the state has not taken title deposited in the Common School**
14 **Fund under ORS 98.386 on or after January 1, 2013, and on or before**
15 **December 31, 2018.**

16 **“(2) As used in this section, ‘claim rate’ means the percentage of**
17 **unclaimed property received by the Department of State Lands in a**
18 **calendar year that has been claimed under ORS 98.396.**

19 **“(3) On January 1, 2019, the department shall transfer 25 percent**
20 **of the moneys in the Unclaimed Property PERS Account to the Public**
21 **Employees Retirement Board, to be credited to the account established**
22 **under section 24 (1) of this 2018 Act.**

23 **“(4)(a) On December 31, 2019, the department shall determine the**
24 **average claim rate for the 10 calendar years beginning January 1, 2000.**

25 **“(b) If the average claim rate determined under paragraph (a) of**
26 **this subsection is less than 55 percent, the department shall transfer**
27 **33 percent of the moneys in the Unclaimed Property PERS Account to**
28 **the board, to be credited to the account established under section 24**
29 **(1) of this 2018 Act.**

30 **“(c) If the average claim rate determined under paragraph (a) of**

1 this subsection is 55 percent or more, the department shall transfer
2 10 percent of the moneys in the Unclaimed Property PERS Account to
3 the Unclaimed Property Revolving Fund created in ORS 98.388. The
4 department shall transfer 33 percent of the remaining moneys in the
5 Unclaimed Property PERS Account to the board, to be credited to the
6 account established under section 24 (1) of this 2018 Act.

7 “(5)(a) On December 31, 2021, the department shall determine the
8 average claim rate for the 10 calendar years beginning January 1, 2002.

9 “(b) If the average claim rate determined under paragraph (a) of
10 this subsection is less than 55 percent, the department shall transfer
11 50 percent of the moneys in the Unclaimed Property PERS Account to
12 the board, to be credited to the account established under section 24
13 (1) of this 2018 Act.

14 “(c) If the average claim rate determined under paragraph (a) of
15 this subsection is 55 percent or more, the department shall transfer
16 15 percent of the moneys in the Unclaimed Property PERS Account to
17 the Unclaimed Property Revolving Fund created in ORS 98.388. The
18 department shall transfer 50 percent of the remaining moneys in the
19 Unclaimed Property PERS Account to the board, to be credited to the
20 account established under section 24 (1) of this 2018 Act.

21 “(6)(a) On December 31, 2023, the department shall determine the
22 average claim rate for the 10 calendar years beginning January 1, 2004.

23 “(b) If the average claim rate determined under paragraph (a) of
24 this subsection is less than 55 percent, the department shall transfer
25 100 percent of the moneys in the Unclaimed Property PERS Account
26 to the board, to be credited to the account established under section
27 24 (1) of this 2018 Act.

28 “(c) If the average claim rate determined under paragraph (a) of
29 this subsection is 55 percent or more, the department shall transfer
30 30 percent of the moneys in the Unclaimed Property PERS Account to

1 the Unclaimed Property Revolving Fund created in ORS 98.388. The
2 department shall transfer 100 percent of the remaining moneys in the
3 Unclaimed Property PERS Account to the board, to be credited to the
4 account established under section 24 (1) of this 2018 Act.

5 **“SECTION 23. (1) Notwithstanding the transfers required under**
6 **section 22 of this 2018 Act, the state is not obligated to pay claims for**
7 **the unclaimed property described in section 22 (1) of this 2018 Act from**
8 **the General Fund or from any source other than:**

9 **“(a) Moneys in or transferred from the Unclaimed Property PERS**
10 **Account established in section 22 of this 2018 Act; or**

11 **“(b) Moneys appropriated or otherwise made available by the Leg-**
12 **islative Assembly for the purpose of paying claims for unclaimed**
13 **property.**

14 **“(2) This section does not require the Legislative Assembly to ap-**
15 **propriate moneys for the purpose of paying claims for unclaimed**
16 **property.”.**

17 In line 44, after “17” insert “, 18”.

18 In line 45, after “17,” insert “18,”.

19
