

D R A F T

SUMMARY

Authorizes issuance of \$10 million in lottery bonds for deposit in Levee Project Grant Fund to be used to provide grants for levee projects. Requires at least 60 percent of dollar value of grants awarded from Levee Project Grant Fund to be used to provide assistance with levee projects to rural or distressed areas.

Declares emergency, effective on passage.

A BILL FOR AN ACT

Relating to levees; creating new provisions; amending ORS 285B.410 and 285B.421; and declaring an emergency.

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

SECTION 1. (1) For the biennium beginning July 1, 2021, at the request of the Oregon Business Development Department, the State Treasurer is authorized to issue lottery bonds pursuant to ORS 286A.560 to 286A.585 in an amount that produces \$10 million in net proceeds and interest earnings for the purposes described in subsection (2) of this section, 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 in an amount sufficient to provide \$10 million in net proceeds and interest earnings must be transferred to the Oregon Business Development Department for deposit in the Levee Project Grant Fund established under ORS 285B.421, to be used for any purpose for which funds in the Levee Project Grant Fund may be used, including, but not limited to, grants for investigating the adequacy of levees and improving levees

so they may be certified and accredited.

(3) Lottery bonds authorized under this section must be issued no later than June 30, 2022.

(4) The Legislative Assembly finds that levees are a vital component of the state's infrastructure and play an essential role in providing public safety and reducing the risk of flooding while furthering economic development and protecting parks, beaches, watersheds and native fish and wildlife within Oregon. The Legislative Assembly thereby finds that the use of lottery bonds for the purposes described in subsection (2) of this section is an appropriate use of state lottery funds under Article XV, section 4, of the Oregon Constitution, and ORS 461.510.

SECTION 2. ORS 285B.421 is amended to read:

285B.421. (1) The Levee Project Grant Fund is established in the State Treasury, separate and distinct from the General Fund. Interest earned by the Levee Project Grant Fund must be credited to the fund. The Levee Project Grant Fund consists of moneys deposited in the fund under section 33, chapter 671, Oregon Laws 2019, **and section 1 of this 2021 Act**, and may include moneys appropriated, allocated, deposited or transferred to the fund by the Legislative Assembly or otherwise and interest earned on moneys in the fund.

(2) Moneys in the fund are continuously appropriated to the Oregon Business Development Department for the Oregon Infrastructure Finance Authority to provide grants under ORS 285B.420 for levee projects as defined in ORS 285B.410.

(3) Grants from the fund for planning projects are limited to a maximum of \$2 million per applicant per biennium.

(4) Grants from the fund for construction or capital improvement projects may not exceed an amount equal to 80 percent of the total cost of the project.

(5) A grant may not be awarded from the fund unless the applicant

pledges matching funds to the project of at least 20 percent of the amount of the grant.

(6) At least 60 percent of the dollar value of grants awarded from the fund in any biennium shall be used to provide assistance with levee projects to rural or distressed areas as those terms are defined in ORS 285A.010.

SECTION 3. ORS 285B.410 is amended to read:

285B.410. As used in ORS 285B.410 to 285B.482, unless the context requires otherwise:

(1) “Airport” means:

(a) A runway, taxiway, aircraft parking apron, ramp, auto parking area, access road, safety area or runway protection zone;

(b) An airport-related facility, including a hangar, terminal, air traffic control tower or other building;

(c) A signal, navigational aid or traffic control system; or

(d) A fuel tank or other physical airport improvement.

(2)(a) “Community development project” means a project that involves strategic planning, training or other technical assistance as defined by the Oregon Business Development Department by rule, and that is aimed at strengthening the economic development, community development or infrastructure priority setting of a municipality or region.

(b) “Community development project” includes the following activities:

(A) Developing and managing short-term and long-term projects;

(B) Developing priorities for infrastructure projects;

(C) Strategic planning related to furthering economic or community development; or

(D) Training related to economic or community development, including training to improve leadership skills, technical skills or analytical skills, particularly in rural and distressed areas.

(c) “Community development project” includes projects that may encompass a municipality or any part of a municipality and may be undertaken in

cooperation with another municipality.

(3) “Development project” means a project for the acquisition, improvement, construction, demolition, or redevelopment of municipally owned utilities, buildings, land, transportation facilities or other facilities that assist the economic and community development of the municipality, including planning project activities that are necessary or useful as determined by the Oregon Infrastructure Finance Authority.

(4) “Direct project management costs” means expenses directly related to a project that are incurred by a municipality solely to support or manage a project eligible for assistance under ORS 285B.410 to 285B.482. “Direct project management costs” does not include routine or ongoing expenses of the municipality.

(5) “Emergency project” means a development project resulting from an emergency as defined in ORS 401.025, to which federal disaster relief has been committed.

(6) “Energy system” means a facility necessary for the distribution, transmission or generation of energy, including but not limited to facilities powered by wind, solar energy or biofuel and facilities for the collection, storage, transmission or distribution of a fuel, including natural gas, methane or hydrogen.

(7) “Levee project” means a community development project, development project, planning project or other project that is associated with [levee] **the construction, capital improvement, inspection, accreditation, certification or repair of levees, flood control embankments or flood control facilities.**

(8) “Marine facility” means:

(a) A wharf, dock, freight handling or passenger facility;

(b) A navigation channel or structure, including a project funded under ORS 777.267; or

(c) Any other physical marine facility improvement.

(9) “Municipality” means an Oregon city or county, the Port of Portland

1 created by ORS 778.010, a county service district organized under ORS
2 chapter 451, a district as defined in ORS 198.010, a drainage district organ-
3 ized under ORS chapter 547, a tribal council of a federally recognized Indian
4 tribe in this state or an airport district organized under ORS chapter 838.

5 (10) “Planning project” means:

6 (a) A project related to a potential development project for preliminary,
7 final or construction engineering;

8 (b) A survey, site investigation or environmental action;

9 (c) A financial, technical or other feasibility report, study or plan; or

10 (d) An activity that the authority determines to be necessary or useful in
11 planning for a potential development project.

12 (11) “Project” means a development, community development, planning,
13 levee or emergency project.

14 (12) “Railroad” means:

15 (a) A main line, siding, yard, connecting or auxiliary track, right of way
16 or easement;

17 (b) An industrial spur or related facility, including a depot, shop, main-
18 tenance building or other building;

19 (c) A signal or traffic control system;

20 (d) A bridge or tunnel;

21 (e) A dock, pit, conveyor, bin, crane, piping system, tank or pavement for
22 unloading, loading or transfer of freight, trailers or containers; or

23 (f) Any other physical railroad improvement.

24 (13) “Road” means a street, highway or thruway or a road-related struc-
25 ture that provides for continuity of a right of way, including a bridge, tun-
26 nel, culvert or similar structure or other physical road-related improvement.

27 (14) “Rural area” has the meaning given that term in ORS 285A.010.

28 (15) “Solid waste disposal site” has the meaning given the term “disposal
29 site” in ORS 459.005.

30 (16) “Telecommunications system” means equipment or a facility for the
31 electronic transmission of voice, data, text, image or video.

1 (17) "Transportation" means a system for movement of freight or passen-
2 gers.

3 (18) "Utilities" means a solid waste disposal site or a water, sewage,
4 storm water drainage, energy or telecommunications system.

5 **SECTION 4. This 2021 Act being necessary for the immediate pres-**
6 **ervation of the public peace, health and safety, an emergency is de-**
7 **clared to exist, and this 2021 Act takes effect on its passage.**