

A-Engrossed
House Bill 2205

Ordered by the House April 12
Including House Amendments dated April 12

Introduced and printed pursuant to House Rule 12.00. Pre-session filed (at the request of House Interim Committee on Veterans and Emergency Preparedness)

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.

[Directs Office of Emergency Management to study and make recommendations regarding possible improvements to operations of office. Requires office to submit report on findings by January 1, 2021.]

Directs State Aviation Board, in consultation with State Resilience Officer, to develop list of emergency preparedness equipment needed throughout state to address deficiencies in emergency response capabilities.

Directs Oregon Department of Aviation to develop and administer program to distribute emergency preparedness equipment or funds to purchase such equipment to entities that own or operate public airports.

Declares emergency, effective on passage.

A BILL FOR AN ACT

1
2 Relating to emergency management; and declaring an emergency.

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

4 **SECTION 1. (1) As used in this section:**

5 (a) **“Emergency” has the meaning given that term in ORS 401.025.**

6 (b) **“Maintain” means to repair, perform upkeep on and otherwise keep in good working**
7 **condition.**

8 (c) **“Preparedness equipment” means equipment, vehicles, infrastructure elements,**
9 **buildings or other real or personal property that:**

10 (A) **May be used to decrease the risk to life and property resulting from an emergency;**
11 **and**

12 (B) **Qualifies as a capital asset eligible for financing with tax-exempt bonds.**

13 (d) **“Qualified applicant” means an entity that owns or operates a public airport.**

14 (e) **“Recipient” means an entity that applies for and receives preparedness equipment,**
15 **or funds to purchase preparedness equipment, under the program described in subsection (3)**
16 **of this section.**

17 (f) **“Tax-exempt bond” means a bond, as defined in ORS 286A.001, the receipt of interest**
18 **on which is excluded from gross income under the Internal Revenue Code or that is eligible**
19 **for a federal interest subsidy payment or other tax-advantaged status.**

20 (2)(a) **Before December 31, 2019, the State Aviation Board, in consultation with the State**
21 **Resilience Officer, shall develop a list of preparedness equipment that is needed throughout**
22 **this state to address deficiencies in the ability of the state to respond to local and regional**
23 **emergencies.**

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.

1 **(b) In developing the list, the board shall consult and coordinate with the Oregon De-**
2 **partment of Aviation, managers of public airports and county, city and tribal emergency**
3 **managers.**

4 **(c) The board shall assign a priority level to each type of preparedness equipment on the**
5 **list, taking into consideration, without limitation, the types of emergencies that are most**
6 **likely to occur in different regions of this state and the types of preparedness equipment that**
7 **offer the highest ratio of utility to cost. The board shall periodically update and revise the**
8 **list.**

9 **(3) The department shall, by rule, develop and administer an aviation resiliency assist-**
10 **ance program to distribute preparedness equipment, or funds to purchase preparedness**
11 **equipment, to recipients throughout this state. Pursuant to the program:**

12 **(a) Qualified applicants may request preparedness equipment that is identified on the list**
13 **described in subsection (2) of this section. Applicants must demonstrate a need for the spe-**
14 **cific preparedness equipment requested, the ability to maintain the preparedness equipment**
15 **and the ability to use the preparedness equipment to address deficiencies in local or regional**
16 **emergency preparedness.**

17 **(b) The department shall identify which requests from applicants, if fulfilled, will maxi-**
18 **mize the state's ability to respond to an emergency, taking into account considerations that**
19 **include but are not limited to:**

20 **(A) The level of priority assigned to the requested preparedness equipment type pursuant**
21 **to subsection (2) of this section;**

22 **(B) The level of need for the requested preparedness equipment as demonstrated by the**
23 **applicant;**

24 **(C) The ability to use and maintain the preparedness equipment as demonstrated by the**
25 **applicant;**

26 **(D) The types of emergency most likely to occur in the region where the airport owned**
27 **or operated by the applicant is located; and**

28 **(E) Whether the applicant has an alternative means of acquiring the requested**
29 **preparedness equipment.**

30 **(c) The department shall enter into agreements with applicants identified under para-**
31 **graph (b) of this subsection as provided in paragraph (e) of this subsection. The department**
32 **may then either purchase the requested preparedness equipment for distribution to a recip-**
33 **ient or disburse funds to the recipient for the purchase of the requested preparedness**
34 **equipment.**

35 **(d) During a state of emergency declared by the Governor under ORS 401.165, the Public**
36 **Contracting Code does not apply to the acquisition of preparedness equipment by the de-**
37 **partment or by a recipient pursuant to this section. When acquiring preparedness equipment**
38 **during a state of emergency, the department and recipients shall use procurement methods**
39 **that are impartial and transparent to the greatest extent feasible and that are designed to**
40 **maximize value to the State of Oregon.**

41 **(e) The department may not disburse preparedness equipment or funds under this section**
42 **unless the department and the intended recipient first enter into an agreement as described**
43 **in this paragraph. The agreement:**

44 **(A) Shall require the recipient to maintain the preparedness equipment.**

45 **(B) Shall provide that, if a recipient fails to adequately maintain preparedness equipment,**

1 the recipient must relinquish possession of the preparedness equipment or reimburse the
2 department for the cost of the preparedness equipment.

3 (C) Shall specify that the department may conduct periodic inspections of the
4 preparedness equipment as described in paragraph (f) of this subsection.

5 (D) Shall specify that preparedness equipment distributed to the recipient remains the
6 property of the department until it is fully depreciated under governmental accounting
7 principles, after which the department may offer the preparedness equipment for sale to the
8 recipient at its fair market value at the time of sale.

9 (E) May permit the recipient to use the preparedness equipment for any purpose, gov-
10 ernmental or otherwise, that is permissible for assets financed with tax-exempt bonds, in-
11 cluding nonemergency purposes.

12 (F) Shall require the recipient to take action or refrain from action as necessary to
13 maintain federal tax benefits related to any tax-exempt bonds that are used to fund the
14 preparedness equipment and to indemnify the State of Oregon for any costs, expenses or li-
15 ability due to loss of such federal tax benefits caused by action or inaction of the recipient.

16 (f) The department shall conduct periodic inspections of preparedness equipment distrib-
17 uted or purchased through the program to ensure that recipients are adequately maintaining
18 the preparedness equipment. If the department finds that any preparedness equipment is not
19 adequately maintained, the department may take possession of the preparedness equipment
20 or require the recipient to reimburse the department for the cost of the preparedness
21 equipment.

22 (g) The department may transfer between recipients, dispose of or otherwise manage the
23 preparedness equipment as it determines is in the best interests of meeting the emergency
24 preparedness needs of the State of Oregon. If the department disposes of preparedness
25 equipment for any reason, including sale to a recipient as provided in paragraph (e)(D) of this
26 subsection, the department shall deposit any moneys it receives from the disposal in the
27 Aviation Resiliency Fund established under section 2 of this 2019 Act.

28 (4) On or before December 31 of each year, the department shall submit a report to the
29 Legislative Assembly and to the board that describes the administration and effectiveness
30 of the program established under this section and the current prioritized list of preparedness
31 equipment types.

32 (5) The department shall adopt rules to administer and implement the provisions of this
33 section.

34 **SECTION 2.** The Aviation Resiliency Fund is established in the State Treasury, separate
35 and distinct from the General Fund. Interest earned by the Aviation Resiliency Fund must
36 be credited to the fund. The fund consists of moneys deposited in the fund under section 1
37 of this 2019 Act and may include moneys appropriated, allocated, deposited or transferred to
38 the fund by the Legislative Assembly or otherwise and interest earned on moneys in the
39 fund. The moneys in the fund are continuously appropriated to the Oregon Department of
40 Aviation for the purposes specified in section 1 of this 2019 Act.

41 **SECTION 3.** (1) In addition to and not in lieu of any authorization to issue general obli-
42 gation bonds under ORS 286A.035, in the biennium beginning July 1, 2019, at the request of
43 the Office of Emergency Management, the State Treasurer may issue Article XI-Q bonds
44 under ORS 286A.816 to 286A.826 in an amount that produces \$15 million of net proceeds for
45 the purpose specified in subsection (2) of this section, plus an amount estimated by the State

1 **Treasurer to pay bond-related costs.**

2 **(2) Net proceeds of bonds issued under this section must be transferred to the Office of**
3 **Emergency Management for deposit in the Resiliency Grant Fund established under ORS**
4 **401.552.**

5 **SECTION 4. This 2019 Act being necessary for the immediate preservation of the public**
6 **peace, health and safety, an emergency is declared to exist, and this 2019 Act takes effect**
7 **on its passage.**

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