

## HOUSE AMENDMENTS TO HOUSE BILL 3110

By COMMITTEE ON ECONOMIC DEVELOPMENT

April 3

1 On page 1 of the printed bill, line 2, before the period insert “; and declaring an emergency”.

2 Delete lines 4 through 27 and delete page 2 and insert:

3 **“SECTION 1. As used in sections 1 to 6 of this 2019 Act, unless the context clearly re-**  
4 **quires another meaning:**

5 **“(1) ‘City’ means a city, town or other community located in this state with a population**  
6 **of 2,500 or less.**

7 **“(2) ‘District association’ means Oregon’s Economic Development Districts, an organ-**  
8 **ization consisting of member districts designated by the United States Economic Develop-**  
9 **ment Administration.**

10 **“(3) ‘Grant administrator’ means a person that provides fiscal administration, grant**  
11 **compliance, grant reporting and other similar administrative services required by grant-**  
12 **awarding entities.**

13 **“(4) ‘Member district’ means a district that is a member of Oregon’s Economic Develop-**  
14 **ment Districts.**

15 **“(5) ‘Rural area’ means an area located in this state that is entirely outside the ac-**  
16 **knowledged Portland Metropolitan Area Regional Urban Growth Boundary and the acknowl-**  
17 **edged urban growth boundaries of all cities with populations of 30,000 or more.**

18 **“(6) ‘Rural capacity builder’ means a person that assists communities in rural areas:**

19 **“(a) To determine local priorities for community and economic development;**

20 **“(b) To develop tools, processes and partnerships to address local needs; or**

21 **“(c) By providing grant writing services.**

22 **“(7) ‘Rural county’ means a county of this state with a population of 12,000 or less.**

23 **“(8) ‘Rural grant services’ means assistance to communities in rural areas in:**

24 **“(a) Identifying funding opportunities to meet community and economic development**  
25 **needs; and**

26 **“(b) Applying for grants.**

27 **“(9) ‘Rural jurisdictions’ means:**

28 **“(a) Rural counties; and**

29 **“(b) Federally recognized Indian tribes, cities, school districts and special districts lo-**  
30 **cated in rural areas.**

31 **“SECTION 2. (1) The Oregon Business Development Department shall distribute moneys**  
32 **in the Oregon Rural Capacity Fund established under section 6 of this 2019 Act to provide**  
33 **resources to Oregon’s Economic Development Districts for the purposes of assisting rural**  
34 **jurisdictions to learn about, successfully apply for and administer grants and other forms**  
35 **of funding available from any public or private source. The rural jurisdictions shall use such**

1 resources solely to attain the staffing and financial and technical capacity necessary to carry  
2 out proactive strategies for workforce, infrastructure, economic and community develop-  
3 ment in the rural jurisdictions.

4 “(2) The district association shall assist, or provide for assistance to, rural jurisdictions  
5 by means that include, but are not limited to:

6 “(a) Outreach to the rural jurisdictions about grants and other forms of funding;

7 “(b) Employment of grant writers or grant administrators to directly assist the rural  
8 jurisdictions in applying for grants and other forms of funding;

9 “(c) Direct assistance in administering grants awarded to the rural jurisdictions; and

10 “(d) Working with state agencies to coordinate investments in water and sewer systems,  
11 roads and other elements of basic infrastructure needed in cities in rural areas.

12 “SECTION 3. The Oregon Business Development Department shall:

13 “(1) Develop the policy guiding the implementation of sections 1 to 6 of this 2019 Act.

14 “(2) Communicate the policy and the purposes set forth in section 2 of this 2019 Act to  
15 underserved rural jurisdictions.

16 “(3) Determine the amount of moneys available for distribution to Oregon’s Economic  
17 Development Districts under section 2 of this 2019 Act.

18 “(4) Consult and coordinate with the district association on the distribution of moneys  
19 under section 2 of this 2019 Act. When consulting with the district association on the use  
20 of moneys, the department and the district association shall consider:

21 “(a) Which rural jurisdictions are most in need of the assistance provided under sections  
22 1 to 6 of this 2019 Act; and

23 “(b) The geographical balance of the distributions and assistance.

24 “(5) Work with the district association to determine the number and location of the grant  
25 writers and rural capacity builders to be hired with the moneys distributed.

26 “(6) Make the distributions under section 2 of this 2019 Act in accordance with the policy  
27 and priorities developed under this section from moneys in the Oregon Rural Capacity Fund  
28 established under section 6 of this 2019 Act.

29 “(7) Oversee the rural grant services provided under sections 1 to 6 of this 2019 Act.

30 “(8) Periodically consult with the League of Oregon Cities, the Association of Oregon  
31 Counties, the Oregon School Boards Association and the Special Districts Association of  
32 Oregon on the implementation of sections 1 to 6 of this 2019 Act.

33 “SECTION 4. (1) This section applies to a member district that receives moneys pursuant  
34 to section 2 of this 2019 Act.

35 “(2)(a) The member district shall expend the moneys solely to provide grant writing,  
36 grant administration, rural grant and rural capacity building services to rural jurisdictions  
37 for the purposes set forth in section 2 of this 2019 Act.

38 “(b) The moneys received by the member district, and the activities of the member dis-  
39 trict in expending the moneys, shall supplement and may not supplant the resources and  
40 activities of the member district.

41 “(c) The member district may not use moneys received pursuant to section 2 of this 2019  
42 Act to apply for grants for purposes unrelated to the purposes set forth in section 2 of this  
43 2019 Act.

44 “(d) For purposes of a member district’s assistance to rural jurisdictions under this  
45 section, the Oregon Business Development Department may enter into an agreement with a

1 regional solutions advisory committee appointed pursuant to ORS 284.754 for a region in  
2 which the member district is located in order to coordinate the activities of the member  
3 district, including the use of the moneys distributed to the member district, and the regional  
4 solutions team for the region.

5 “(e) The member district shall manage, document and submit quarterly reports to the  
6 department about the assistance the member district provides to rural jurisdictions under  
7 this section. The reports shall contain at a minimum all applicable information required un-  
8 der section 5 (2) of this 2019 Act.

9 “(3)(a) The member district may hire an individual under this section as an employee or  
10 an independent contractor.

11 “(b) The member district may assign individuals hired under this section to provide the  
12 services described in subsection (2)(a) of this section to more than one rural jurisdiction.

13 “SECTION 5. (1) Not later than September 15 of each year, the Oregon Business Devel-  
14 opment Department shall provide a brief report, in the manner required under ORS 192.245,  
15 to the interim committees of the Legislative Assembly related to economic development, that  
16 describes the activities that Oregon’s Economic Development Districts engaged in for the  
17 previous 12-month period under sections 1 to 6 of this 2019 Act and the results of those ac-  
18 tivities.

19 “(2) At a minimum, the report required under this section shall identify:

20 “(a) The rural jurisdictions that requested assistance funded by the district association;

21 “(b) The rural jurisdictions that received such assistance;

22 “(c) The populations served by the rural jurisdictions that requested assistance funded  
23 by the district association;

24 “(d) The populations served by the rural jurisdictions that received such assistance;

25 “(e) The number of funding opportunities, and the dollar amount of private and public  
26 funds, separately stated, that the rural jurisdictions applied for with assistance funded by the  
27 district association;

28 “(f) The number of funding opportunities from which the rural jurisdictions received  
29 funding with such assistance, and the dollar amount of private and public funding so re-  
30 ceived, separately stated;

31 “(g) The multiplier effects of grants and other forms of funding received by the rural  
32 jurisdictions with assistance funded by the district association;

33 “(h) The expected effect of grants and other forms of funding received by the rural ju-  
34 risdictions with assistance funded by the district association on the timing of the com-  
35 mencement and completion of projects;

36 “(i) The number of jobs created by rural jurisdictions that received assistance under  
37 sections 1 to 6 of this 2019 Act;

38 “(j) The return on investment of moneys distributed to member districts under section  
39 2 of this 2019 Act; and

40 “(k) Any other information the department considers important to include in the report.

41 “SECTION 6. (1) The Oregon Rural Capacity Fund is established in the State Treasury,  
42 separate and distinct from the General Fund. Interest earned by the Oregon Rural Capacity  
43 Fund shall be credited to the fund.

44 “(2) Moneys in the fund consist of:

45 “(a) Amounts appropriated or otherwise transferred or credited to the fund by the Leg-

1 islative Assembly;

2 “(b) Moneys from the federal government, state agencies or local governments trans-  
3 ferred or otherwise credited to the fund;

4 “(c) Amounts donated or otherwise given to the fund;

5 “(d) Earnings received on moneys in the fund; and

6 “(e) Other amounts from any source transferred or otherwise credited to the fund.

7 “(3)(a) Moneys in the fund are continuously appropriated to the Oregon Business Devel-  
8 opment Department for the purpose of making the expenditures set forth in this subsection.

9 “(b) The department may retain an amount equal to five percent of moneys appropriated  
10 or otherwise transferred or credited to the fund to pay the for the administrative and oper-  
11 ational expenses of department under sections 1 to 6 of this 2019 Act.

12 “(c) The department shall distribute the balance of the moneys in accordance with sec-  
13 tion 2 of this 2019 Act.

14 “SECTION 7. There is appropriated to the Oregon Business Development Department, for  
15 the biennium beginning July 1, 2019, out of the General Fund, the amount of \$918,750, to be  
16 expended in accordance with sections 1 to 6 of this 2019 Act.

17 “SECTION 8. (1) Sections 1 to 6 of this 2019 Act become operative on January 1, 2020.

18 “(2)(a) As used in this subsection, ‘person’ means each of:

19 “(A) The Director of the Oregon Business Development Department; and

20 “(B) Oregon’s Economic Development Districts.

21 “(b) Notwithstanding the date specified in subsection (1) of this section, a person may  
22 take any action before the date specified in subsection (1) of this section that is necessary  
23 for the person to exercise, on and after the date specified in subsection (1) of this section,  
24 all of the duties, functions and powers respectively conferred on the person by sections 1 to  
25 6 of this 2019 Act.

26 “SECTION 9. This 2019 Act being necessary for the immediate preservation of the public  
27 peace, health and safety, an emergency is declared to exist, and this 2019 Act takes effect  
28 on its passage.”

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