## House Bill 3390

Sponsored by Representatives REARDON, GORSEK, PILUSO

## **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 **as introduced.** 

Requires state agencies that provide moneys to certain entities to report annually in writing to Legislative Assembly on amount of moneys provided in each county and number of persons served in each county by such moneys.

## A BILL FOR AN ACT

Relating to state funding of counties; amending ORS 323.455, 357.780, 406.454, 410.070, 423.520, 430.380, 430.634, 431.380, 458.505, 458.665, 471.810, 475B.759 and 660.318.

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

**SECTION 1.** ORS 323.455 is amended to read:

323.455. (1) All moneys received by the Department of Revenue from the tax imposed by ORS 323.030 (1) shall be paid over to the State Treasurer to be held in a suspense account established under ORS 293.445. The department may pay expenses for administration and enforcement of ORS 323.005 to 323.482 out of moneys received from the tax imposed under ORS 323.030 (1). Amounts necessary to pay administrative and enforcement expenses are continuously appropriated to the department from the suspense account. After the payment of administrative and enforcement expenses and refunds, 89.65 percent shall be credited to the General Fund, 3.45 percent is appropriated to the cities of this state, 3.45 percent is appropriated to the counties of this state and 3.45 percent is continuously appropriated to the Department of Transportation for the purpose of financing and improving transportation services for elderly individuals and individuals with disabilities as provided in ORS 391.800 to 391.830.

- (2) The moneys appropriated to cities and counties under subsection (1) of this section shall be paid on a monthly basis within 35 days after the end of the month for which a distribution is made. Each city shall receive such share of the money appropriated to all cities as its population, as determined under ORS 190.510 to 190.590 last preceding such apportionment, bears to the total population of the cities of the state, and each county shall receive such share of the money as its population, determined under ORS 190.510 to 190.590 last preceding such apportionment, bears to the total population of the state.
- (3) The moneys appropriated to the Department of Transportation under subsection (1) of this section shall be distributed and transferred to the Elderly and Disabled Special Transportation Fund established by ORS 391.800 at the same time as the cigarette tax moneys are distributed to cities and counties under this section.
- (4) Of the moneys credited to the General Fund under subsection (1) of this section, 51.92 percent shall be dedicated to funding the maintenance and expansion of the number of persons eligible for the medical assistance program under ORS chapter 414, or to funding the maintenance of the benefits available under the program, or both, and 5.77 percent shall be credited to the Tobacco Use

**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.

Reduction Account established under ORS 431A.153.

- (5) All moneys received by the Department of Revenue from the tax imposed by ORS 323.030 (4) shall be paid over to the State Treasurer to be held in a suspense account established under ORS 293.445. After the payment of refunds, the balance shall be credited to the Oregon Health Authority Fund established by ORS 413.101 and shall be used to provide the services described in ORS 430.630.
- (6) The Department of Revenue shall report annually in writing to an appropriate committee or interim committee of the Legislative Assembly on the amount of moneys paid in each county under subsections (1) and (2) of this section and the number of persons served in each county by the payments.

**SECTION 2.** ORS 357.780 is amended to read:

- 357.780. (1) The State Library Board shall disburse moneys under this section based on the estimated total population of children, from birth to 14 years of age, in the state. For those areas of the state not served by local public libraries, the moneys available shall be reallocated to qualifying public libraries. A public library that begins providing library service to previously unserved population shall be eligible for grants from the moneys appropriated for purposes of this section. Upon satisfactory application therefor, the State Library Board shall cause the appropriate amount to be paid to the public library.
- (2) The State Library Board shall distribute 80 percent of the funds specifically appropriated by the Legislative Assembly on a per child basis for public library services in the following manner to ensure the same population is not counted more than once:
- (a) There shall be paid to each consolidated county library that is the primary provider of public library services to all persons in a county, or to each library district that is the primary provider of public library services in a county, a per capita amount for each child residing in the county.
- (b) Where public library services are provided by a public library for which the governing authority has jurisdiction in more than one county, there shall be paid to that library a per capita amount for each child residing therein.
- (c) Where public library services are not provided as described in paragraph (a) or (b) of this subsection, but by a library of which the governing authority is the primary provider of public library services to a jurisdiction less than county wide, there shall be paid to the library a per capita amount for children residing therein. In addition, a public library having a valid contract with a unit of local government to provide library services to a population beyond its governing authority's jurisdiction shall be paid a per capita amount for the population of children served if specified in the contract. The number of children residing within a jurisdiction that is less than a county shall be estimated using the percentage of children in the total population of the county.
- (d) Where public library services are not provided as described in paragraph (a), (b) or (c) of this subsection, but are provided by a county or district library that has a valid contract with one or more libraries to provide persons in their jurisdiction with library services, there shall be paid to the county or district library a per capita amount for each child residing therein, exclusive of the populations served by libraries eligible for grants under paragraph (c) of this subsection.
- (3) The State Library Board shall distribute 20 percent of the funds specifically appropriated by the Legislative Assembly for public library services on an area basis.
- (4) The State Library Board may not make a grant that is less than \$1,000 to a qualifying public library for public library services for children.
- (5) The State Library Board shall report annually in writing to an appropriate committee or interim committee of the Legislative Assembly on the amount of moneys disbursed in

each county under this section and the number of persons served in each county by the disbursements.

**SECTION 3.** ORS 406.454 is amended to read:

- 406.454. (1) The Director of Veterans' Affairs shall adopt by rule a formula to distribute to county governing bodies funds appropriated to the director to enhance and expand the services provided by county veterans' service officers appointed under ORS 408.410. In developing the distribution formula, the director shall consider factors that include, but need not be limited to:
  - (a) The number of veterans residing in each county;
  - (b) A base amount to be distributed equally among counties;
- (c) Retention by the Department of Veterans' Affairs of the amount that would otherwise be distributed to a county governing body if the county governing body has not appointed a county veterans' service officer;
  - (d) Criteria for withholding funds from a county governing body; and
- (e) The purchase and coordination of a statewide computer system or other technology, or both, to facilitate efficient claims and appeals development and processing for veterans, spouses, dependents and survivors of veterans.
- (2)(a) Funds retained under subsection (1)(c) of this section must be used to provide veterans' services in a county not providing a county veterans' service officer in a manner deemed appropriate by the director until such time as the county appoints or reinstates a county veterans' service officer.
  - (b) Funds retained under subsection (1)(c) and (d) of this section may be spent on:
- (A) Training costs of veterans' service officers and other individuals providing similar services; and
- (B) Providing veterans' services to veterans, spouses, dependents and survivors of veterans as deemed appropriate by the director.
- (3) The director shall report annually in writing to an appropriate committee or interim committee of the Legislative Assembly on the amount of moneys distributed in each county under this section and the number of persons served in each county by the distributions.

**SECTION 4.** ORS 410.070 is amended to read:

410.070. (1) The Department of Human Services shall:

- (a) Serve as the central state agency with primary responsibility for the planning, coordination, development and evaluation of policy, programs and services for elderly persons and persons with disabilities in Oregon.
- (b) Function as the designated state unit on aging, as defined in the Older Americans Act of 1965.
- (c) With the advice of the Governor's Commission on Senior Services and the Oregon Disabilities Commission, develop long-range state plans for programs, services and activities for elderly persons and persons with disabilities. State plans should be revised biennially and should be based on area agency plans, statewide priorities and state and federal requirements.
- (d) Have the authority to transfer state and federal funds, except Title III of the Older Americans Act funds, from one area agency to another area agency or from one program or service to another program or service after consultation with the area agencies involved in the transfer. However, no area agency shall suffer a reduction in state or federal funds due to increased local funds.
  - (e) Receive and disburse all federal and state funds allocated to the department and solicit, ac-

cept and administer grants, including federal grants or gifts made to the department or to the state and enter into contracts with private entities for the purpose of providing or contracting for case management services for long term care insurance for the benefit of elderly persons and persons with disabilities in this state.

- (f) Provide technical, training and program assistance to area agencies and assist them to provide such assistance to public and private agencies and organizations.
- (g) Assist area agencies to stimulate more effective use of existing resources and services for elderly persons and develop programs, opportunities and services which are not otherwise provided for elderly persons, with the aim of developing a comprehensive and coordinated system for the delivery of social services to elderly persons.
- (h) Assist local department offices and area agencies which have assumed responsibility for disabled services to stimulate more effective use of existing resources and to develop programs, opportunities and services which are not otherwise provided for persons with disabilities, with the aim of developing a comprehensive and coordinated system for the delivery of social services to persons with disabilities.
- (i) Serve within government and in the state at large as an advocate for elderly persons and persons with disabilities by holding hearings and conducting studies or investigations concerning matters affecting the health, safety and welfare of elderly persons and persons with disabilities and by assisting elderly persons and persons with disabilities to assure their rights to apply for and receive services and to be given fair hearings when such services are denied.
  - (j) Process fiscal and client data for all area agencies.

- (k) Conduct regulatory functions with regard to program operation, by adopting rules for providing social services, including protective services, to elderly persons and persons with disabilities who need services that the department or area agencies are authorized to provide and rules for standard rate setting and quality assurance.
- (L) Provide information and technical assistance to the Governor's Commission on Senior Services, the Oregon Disabilities Commission and the Medicaid Long Term Care Quality and Reimbursement Advisory Council and keep the commissions and the council continually informed of the activities of the department.
- (m) Make recommendations for legislative action to the Governor and to the Legislative Assembly, after consultation with the Governor's Commission on Senior Services, the Oregon Disabilities Commission and the Medicaid Long Term Care Quality and Reimbursement Advisory Council.
- (n) Conduct research and other appropriate activities to determine the needs of elderly persons and persons with disabilities in this state, including, but not limited to, their needs for social and health services, and to determine what existing services and facilities, private and public, are available to elderly persons and persons with disabilities to meet those needs.
- (o) Maintain a clearinghouse for information related to the needs and interests of elderly persons and persons with disabilities.
- (p) Provide area agencies with assistance in applying for federal, state and private grants and identifying new funding sources.
  - (2) In addition to the requirements of subsection (1) of this section, the department shall:
- (a) Determine type A and type B area agencies annual budget levels for Oregon Project Independence and Title III of the Older Americans Act expenditures.
- (b) Determine annual budget levels for planning and administering programs relating to social, health, independent living and protective services for persons with disabilities for the local depart-

- ment office serving elderly persons and persons with disabilities and type B area agencies that have assumed local responsibility for the programs and clients transferred under section 2 (2), chapter 787, Oregon Laws 1989. In determining the budget levels, the department shall:
  - (A) Apply the methodology required by ORS 410.072;

- (B) Retain contingency reserves against overruns and transfers in use of Title XIX funds; and
- (C) Provide timely management information so the area agencies and the department's disability services units can manage Title XIX reimbursements within budgeted levels.
  - (c) Make payments for services within a central processing system for:
- (A) A type A area agency, at the request of the agency, for Oregon Project Independence or Title III of the Older Americans Act expenditures, or both.
- (B) A type B area agency, for Title XIX and Oregon Project Independence expenditures, and at the request of the agency, for Title III of the Older Americans Act expenditures.
- (d) Assume program responsibility for Title XIX programs in areas served by type A area agencies and in areas where no area agency is designated.
- (e) Assume planning and program responsibilities for persons with disabilities in areas served by type A area agencies, in areas served by type B agencies that serve only elderly persons and in areas where no area agency exists.
- (3) When developing programs affecting elderly persons, the department shall consult with the Governor's Commission on Senior Services.
- (4) When developing programs affecting persons with disabilities, the department shall consult with the Oregon Disabilities Commission.
- (5) The department shall report annually in writing to an appropriate committee or interim committee of the Legislative Assembly on the amount of moneys disbursed in each county under subsection (1)(e) of this section and the number of persons served by the disbursements.

SECTION 5. ORS 423.520 is amended to read:

- 423.520. (1) The Department of Corrections shall make grants to assist counties in the implementation and operation of community corrections programs including, but not limited to, preventive or diversionary correctional programs, probation, parole, work release and local correctional facilities and programs for offenders. The department shall require recipients of the grants to cooperate, to the extent of available information systems resources, in the collection and sharing of data necessary to evaluate the effect of community corrections programs on future criminal conduct.
- (2) The department shall report annually in writing to an appropriate committee or interim committee of the Legislative Assembly on the amount of moneys disbursed as grants in each county under subsection (1) of this section and the number of persons served in each county by the grants.

SECTION 6. ORS 430.380 is amended to read:

- 430.380. (1) There is established in the General Fund of the State Treasury an account to be known as the Mental Health Alcoholism and Drug Services Account. Moneys deposited in the account are continuously appropriated for the purposes of ORS 430.345 to 430.380 and to provide funding for sobering facilities registered under ORS 430.262. Moneys deposited in the account may be invested in the manner prescribed in ORS 293.701 to 293.857.
- (2) Forty percent of the moneys in the Mental Health Alcoholism and Drug Services Account shall be continuously appropriated to the counties on the basis of population. The counties must use the moneys for the establishment, operation and maintenance of alcohol and drug abuse prevention,

early intervention and treatment services and for local matching funds under ORS 430.345 to 430.380. The counties may use up to 10 percent of the moneys appropriated under this subsection to provide funds for sobering facilities registered under ORS 430.262.

- (3) Forty percent of the moneys shall be continuously appropriated to the Oregon Health Authority to be used for state matching funds to counties for alcohol and drug abuse prevention, early intervention and treatment services pursuant to ORS 430.345 to 430.380. The authority may use up to 10 percent of the moneys appropriated under this subsection for matching funds to counties for sobering facilities registered under ORS 430.262.
- (4) Twenty percent of the moneys shall be continuously appropriated to the Oregon Health Authority to be used for alcohol and drug abuse prevention, early intervention and treatment services for inmates of correctional and penal institutions and for parolees therefrom and for probationers as provided pursuant to rules of the authority. However, prior to expenditure of moneys under this subsection, the authority must present its program plans for approval to the appropriate legislative body which is either the Joint Ways and Means Committee during a session of the Legislative Assembly or the Emergency Board during the interim between sessions.
  - (5) Counties and state agencies:

- (a) May not use moneys appropriated to counties and state agencies under subsections (1) to (4) of this section for alcohol and drug prevention and treatment services that do not meet or exceed minimum standards established under ORS 430.357; and
- (b) Shall include in all grants and contracts with providers of alcohol and drug prevention and treatment services a contract provision that the grant or contract may be terminated by the county or state agency if the provider does not meet or exceed the minimum standards adopted by the Oregon Health Authority pursuant to ORS 430.357. A county or state agency may not be penalized and is not liable for the termination of a contract under this section.
- (6) The Oregon Health Authority shall report annually in writing to an appropriate committee or interim committee of the Legislative Assembly on the amount of moneys appropriated in each county under this section and the number of persons served in each county by the appropriations.

**SECTION 7.** ORS 430.634 is amended to read:

- 430.634. (1) In order to improve services to persons with mental or emotional disturbances and provide information for uniform analysis, each community mental health program shall collect and report data and evaluate programs in accordance with methods prescribed by the Oregon Health Authority after consultation with the program directors.
- (2) Information collected by the authority under subsection (1) of this section shall include, but need not be limited to:
  - (a) Numbers of persons served;
  - (b) Ages of persons served;
  - (c) Types of services provided; and
  - (d) Cost of services.
- (3) Within the limits of available funds allocated for the administration of community mental health programs, community mental health programs shall collect data and evaluate programs with moneys provided by the authority. The authority shall distribute funds so that programs within the same population grouping shall receive equal amounts of funds. The population groupings are:
  - (a) More than 400,000 population.
  - (b) Less than 400,000 but more than 100,000.

- (c) Less than 100,000 but more than 50,000.
  - (d) Less than 50,000.

- (4) During the first biennium that a new service is funded by the authority, two percent of the service funds shall be set aside for use in data collection and evaluation of the service. Thereafter, the service shall be evaluated as a part of the total community mental health program.
- (5) The authority shall report annually in writing to an appropriate committee or interim committee of the Legislative Assembly on the amount of moneys distributed in each county under subsection (3) of this section and ORS 430.648 and the number of persons served in each county by the distributions.

SECTION 8. ORS 431.380 is amended to read:

- 431.380. (1) From state moneys that the Oregon Health Authority receives for the purpose of funding the foundational capabilities established under ORS 431.131 and the foundational programs established under ORS 431.141, the Oregon Health Authority shall make payments to local public health authorities under this section. The Oregon Health Authority shall each biennium submit to the Oregon Public Health Advisory Board and the Legislative Fiscal Office a formula that provides for the equitable distribution of moneys. The Oregon Health Authority shall incorporate into the formula:
- (a) A method for distributing to local public health authorities a base amount of state moneys received by the Oregon Health Authority pursuant to this subsection, taking into consideration the population of each local public health authority, the burden of disease borne by communities located within the jurisdiction of each local public health authority, the overall health status of communities located within the jurisdiction of each local public health authority and the ability of each local public health authority to invest in local public health activities and services;
- (b) A method for awarding matching funds to a local public health authority that invests in local public health activities and services above the base amount distributed in accordance with paragraph (a) of this subsection; and
  - (c) A method for the use of incentives as described in subsection (3) of this section.
- (2) The Oregon Health Authority shall submit the formula adopted under subsection (1) of this section to the Oregon Public Health Advisory Board and the Legislative Fiscal Office no later than June 30 of each even-numbered year. At the same time that the Oregon Health Authority submits the formula, the Oregon Health Authority shall submit to the Oregon Public Health Advisory Board and the Legislative Fiscal Office an estimate of the amount of state moneys necessary to fund in part or in whole the foundational capabilities established under ORS 431.131 and the foundational programs established under ORS 431.141.
- (3) The Oregon Health Authority shall adopt by rule incentives and a process for identifying, updating and applying accountability metrics, for the purpose of encouraging the effective and equitable provision of public health services by local public health authorities.
- (4) Nothing in this section prohibits the Oregon Health Authority from distributing state moneys that the Oregon Health Authority receives for the purpose of funding the foundational capabilities established under ORS 431.131 and the foundational programs established under ORS 431.141 to local public health authorities on an individual basis as opposed to a statewide basis, or through a competitive grant or contract process or on the basis of need, if the state moneys received are insufficient to adequately fund local public health authorities on a statewide basis.
- (5) The Oregon Health Authority shall report annually in writing to an appropriate committee or interim committee of the Legislative Assembly on the amount of moneys paid in

each county under this section and the number of persons served in each county by the payments.

**SECTION 9.** ORS 458.505 is amended to read:

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458.505. (1) The community action agency network, established initially under the federal Economic Opportunity Act of 1964, shall be the delivery system for federal antipoverty programs in Oregon, including the Community Services Block Grant, Low Income Energy Assistance Program, State Department of Energy Weatherization Program and such others as may become available.

- (2) Funds for such programs shall be distributed to the community action agencies by the Housing and Community Services Department with the advice of the Community Action Partnership of Oregon.
- (3) In areas not served by a community action agency, funds other than federal community services funds may be distributed to and administered by organizations that are found by the Housing and Community Services Department to serve the antipoverty purpose of the community action agency network.
- (4) In addition to complying with all applicable requirements of federal law, a community action agency shall:
- (a) Be an office, division or agency of the designating political subdivision or a not for profit organization in compliance with ORS chapter 65.
- (b) Have a community action board of at least nine but no more than 33 members, constituted so that:
- (A) One-third of the members of the board are elected public officials currently serving or their designees. If the number of elected officials reasonably available and willing to serve is less than one-third of the membership, membership of appointed public officials may be counted as meeting the one-third requirement;
- (B) At least one-third of the members are persons chosen through democratic selection procedures adequate to assure that they are representatives of the poor in the area served; and
- (C) The remainder of the members are officials or members of business, industry, labor, religious, welfare, education or other major groups and interests in the community.
- (c) If the agency is a private not for profit organization, be governed by the Community Action Board. The board shall have all duties, responsibilities and powers normally associated with such boards, including, but not limited to:
  - (A) Selection, appointment and dismissal of the executive director of the agency;
- 33 (B) Approval of all contracts, grant applications and budgets and operational policies of the 34 agency;
  - (C) Evaluation of programs; and
  - (D) Securing an annual audit of the agency.
  - (d) If the organization is an office, division or agency of a political subdivision, be administered by the board that shall provide for the operation of the agency and be directly responsible to the governing board of the political subdivision. The administering board at a minimum, shall:
    - (A) Review and approve program policy;
- 41 (B) Be involved in and consulted on the hiring and firing of the agency director;
  - (C) Monitor and evaluate program effectiveness;
    - (D) Ensure the effectiveness of community involvement in the planning process; and
- 44 (E) Assume all duties delegated to it by the governing board.
- 45 (e) Have a clearly defined, specified service area. Community action service areas may not

1 overlap.

- (f) Have an accounting system that meets generally accepted accounting principles and be so certified by an independent certified accountant.
- (g) Provide assurances against the use of government funds for political activity by the community action agency.
- (h) Provide assurances that no person shall, on the grounds of race, color, sex, sexual orientation or national origin be excluded from participation in, be denied the benefits of or be subjected to discrimination under any program or activity funded in whole or in part with funds made available through the community action program.
- (i) Provide assurances the community action agency shall comply with any prohibition against discrimination on the basis of age under the Age Discrimination Act of 1975 or with respect to an otherwise qualified individual with disabilities as provided in section 504 of the Rehabilitation Act of 1973.
- (5) For the purposes of this section, the Oregon Human Development Corporation is eligible to receive federal community service funds and low-income energy assistance funds.
  - (6) The Housing and Community Services Department shall:
  - (a) Administer federal and state antipoverty programs.
- (b) Apply for all available antipoverty funds on behalf of eligible entities as defined in this section.
- (c) In conjunction with the Community Action Partnership of Oregon, develop a collaborative role in advocating for, and addressing the needs of, all low income Oregonians.
- (d) Biennially produce and make available to the public a status report on efforts by it and state agencies to reduce the incidence of poverty in Oregon. This report shall contain figures regarding the numbers and types of persons living in poverty in Oregon. The report shall also describe the status of efforts by the department and the Department of Human Services to implement the state policy regarding homelessness described in ORS 458.528.
- (e) On a regular basis provide information to the Community Action Partnership of Oregon on the activities and expenditures of the Housing and Community Services Department.
- (f) As resources are available, provide resources for technical assistance, training and program assistance to eligible entities.
- (g) As resources are available, provide resources pursuant to ORS 409.750 for the training and technical assistance needs of the Community Action Partnership of Oregon.
- (h) Conduct a planning process to meet the needs of low income people in Oregon. That process shall fully integrate the Oregon Human Development Corporation into the antipoverty delivery system. The planning process shall include development of a plan for minimum level of services and funding for low income migrant and seasonal farmworkers from the antipoverty programs administered by the agency.
- (i) Limit its administrative budget in an effort to maximize the availability of antipoverty federal and state funds for expenditures by local eligible entities.
- (7) The Housing and Community Services Department shall report annually in writing to an appropriate committee or interim committee of the Legislative Assembly on the amount of moneys distributed in each county under subsections (2) and (3) of this section and the number of persons served in each county by the distributions.
- **SECTION 10.** ORS 458.665 is amended to read:
- 458.665. (1) The Housing and Community Services Department shall administer the General

1 Housing Account.

- (2) The department shall disburse moneys credited to the account to accomplish the purposes described in ORS 456.515 to 456.725, except that 25 percent of moneys deposited in the account pursuant to ORS 294.187 is dedicated for expenditure to meet the critical housing needs of veterans in this state.
- (3) The department may disburse moneys in the account by contract, grant, loan or otherwise as the department determines necessary.
  - (4) The department may set interest rates on loans made with moneys in the account.
- (5) The department shall establish guidelines for the types of loans financed with moneys in the account by rule.
- (6) The department may use moneys in the account to pay allowable administrative expenses incurred under ORS 456.515 to 456.725.
- (7) The department may, in the director's discretion, return moneys received for deposit in the account to the original source of the moneys.
- (8) The department may accept moneys for deposit in the account pursuant to ORS 458.620 (4) and enter into agreements regarding the use of moneys deposited with the original source of the moneys.
  - (9) The department shall adopt rules that:
- (a) Subject to subsection (2) of this section, govern the allocation of moneys deposited in the account to best meet critical housing needs and build organizational capacity of partners throughout this state; and
- (b) Consistent with subsection (10) of this section, require equitable distribution of resources over time based on objective measures of need, including the number and percentage of low and very low income households in an area.
- (10) The Oregon Housing Stability Council shall adopt a policy that provides for distribution by the department of account moneys and account investment revenue statewide while concentrating account moneys and account investment revenue in those areas of this state with the greatest need, as determined by the council, for housing for persons with a low or very low income.
- (11) The department shall report annually in writing to an appropriate committee or interim committee of the Legislative Assembly on the amount of moneys disbursed in each county under subsection (2) of this section and the number of persons served in each county by the disbursements.

SECTION 11. ORS 471.810 is amended to read:

- 471.810. (1) At the end of each month, the Oregon Liquor Control Commission shall certify the amount of moneys available for distribution in the Oregon Liquor Control Commission Account and, after withholding such moneys as it may deem necessary to pay its outstanding obligations, shall within 35 days of the month for which a distribution is made direct the State Treasurer to pay the amounts due, upon warrants drawn by the Oregon Department of Administrative Services, as follows:
- (a) Fifty-six percent, or the amount remaining after the distribution under subsection (4) of this section, credited to the General Fund available for general governmental purposes wherein it shall be considered as revenue during the quarter immediately preceding receipt;
- (b) Twenty percent to the cities of the state in such shares as the population of each city bears to the population of the cities of the state, as determined by Portland State University last preceding such apportionment, under ORS 190.510 to 190.610;

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- (c) Ten percent to counties in such shares as their respective populations bear to the total population of the state, as estimated from time to time by Portland State University; and
- (d) Fourteen percent to the cities of the state to be distributed as provided in ORS 221.770 and this section.
- (2) The commission shall direct the Oregon Department of Administrative Services to transfer 50 percent of the revenues from the taxes imposed by ORS 473.030 and 473.035 to the Mental Health Alcoholism and Drug Services Account in the General Fund to be paid monthly as provided in ORS 430.380.
- (3) If the amount of revenues received from the taxes imposed by ORS 473.030 for the preceding month was reduced as a result of credits claimed under ORS 473.047, the commission shall compute the difference between the amounts paid or transferred as described in subsections (1)(b), (c) and (d) and (2) of this section and the amounts that would have been paid or transferred under subsections (1)(b), (c) and (d) and (2) of this section if no credits had been claimed. The commission shall direct the Oregon Department of Administrative Services to pay or transfer amounts equal to the differences computed for subsections (1)(b), (c) and (d) and (2) of this section from the General Fund to the recipients or accounts described in subsections (1)(b), (c) and (d) and (2) of this section.
- (4) Notwithstanding subsection (1) of this section, no city or county shall receive for any fiscal year an amount less than the amount distributed to the city or county in accordance with ORS 471.350 (1965 Replacement Part), 471.810, 473.190 and 473.210 (1965 Replacement Part) during the 1966-1967 fiscal year unless the city or county had a decline in population as shown by its census. If the population declined, the per capita distribution to the city or county shall be not less than the total per capita distribution during the 1966-1967 fiscal year. Any additional funds required to maintain the level of distribution under this subsection shall be paid from funds credited under subsection (1)(a) of this section.
- (5) Notwithstanding subsection (1) of this section, amounts to be distributed from the Oregon Liquor Control Commission Account that are attributable to a per bottle surcharge imposed by the Oregon Liquor Control Commission, shall be credited to the General Fund.
- (6) The Oregon Liquor Control Commission shall report annually in writing to an appropriate committee or interim committee of the Legislative Assembly on the amount of moneys distributed in each county under subsection (1) of this section and the number of persons served in each county by the distributions.
- **SECTION 12.** ORS 475B.759, as amended by section 1, chapter 81, Oregon Laws 2018, is amended to read:
- 475B.759. (1) There is established the Oregon Marijuana Account, separate and distinct from the General Fund.
  - (2) The account shall consist of moneys transferred to the account under ORS 475B.760.
- (3)(a) The Department of Revenue shall certify quarterly the amount of moneys available in the Oregon Marijuana Account.
- (b) Subject to subsection (4) of this section, the department shall transfer quarterly 20 percent of the moneys in the Oregon Marijuana Account as follows:
- (A) Ten percent of the moneys in the account must be transferred to the cities of this state in the following shares:
- (i) Seventy-five percent of the 10 percent must be transferred in shares that reflect the population of each city of this state that is not exempt from this paragraph pursuant to subsection (4)(a) of this section compared to the population of all cities of this state that are not exempt from this

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paragraph pursuant to subsection (4)(a) of this section, as determined by Portland State University under ORS 190.510 to 190.610, on the date immediately preceding the date of the transfer; and

- (ii) Twenty-five percent of the 10 percent must be transferred in shares that reflect the number of licenses held pursuant to ORS 475B.070, 475B.090, 475B.100 and 475B.105 on the last business day of the calendar quarter preceding the date of the transfer for premises located in each city compared to the number of licenses held pursuant to ORS 475B.070, 475B.090, 475B.100 and 475B.105 on the last business day of that calendar quarter for all premises in this state located in cities; and
- (B) Ten percent of the moneys in the account must be transferred to counties in the following shares:
- (i) Fifty percent of the 10 percent must be transferred in shares that reflect the total commercially available area of all grow canopies associated with marijuana producer licenses held pursuant to ORS 475B.070 on the last business day of the calendar quarter preceding the date of the transfer for all premises located in each county compared to the total commercially available area of all grow canopies associated with marijuana producer licenses held pursuant to ORS 475B.070 on the last business day of that calendar quarter for all premises located in this state; and
- (ii) Fifty percent of the 10 percent must be transferred in shares that reflect the number of licenses held pursuant to ORS 475B.090, 475B.100 and 475B.105 on the last business day of the calendar quarter preceding the date of the transfer for premises located in each county compared to the number of licenses held pursuant to ORS 475B.090, 475B.100 and 475B.105 on the last business day of that calendar quarter for all premises in this state.
  - (c) Eighty percent of the moneys in the Oregon Marijuana Account must be used as follows:
- (A) Forty percent of the moneys in the account must be used solely for purposes for which moneys in the State School Fund established under ORS 327.008 may be used;
- (B) Twenty percent of the moneys in the account must be used solely for mental health treatment or for alcohol and drug abuse prevention, early intervention and treatment;
- (C) Fifteen percent of the moneys in the account must be used solely for purposes for which moneys in the State Police Account established under ORS 181A.020 may be used; and
- (D) Five percent of the moneys in the account must be used solely for purposes related to alcohol and drug abuse prevention, early intervention and treatment services.
- (4)(a) A city that has an ordinance prohibiting the establishment of a premises for which issuance of a license under ORS 475B.070, 475B.090, 475B.100 or 475B.105 is required is not eligible to receive transfers of moneys under subsection (3)(b)(A) of this section.
- (b) A county that has an ordinance prohibiting the establishment of a premises for which issuance of a license under ORS 475B.070 is required is not eligible to receive transfers of moneys under subsection (3)(b)(B)(i) of this section.
- (c) A county that has an ordinance prohibiting the establishment of a premises for which issuance of a license under ORS 475B.090, 475B.100 or 475B.105 is required is not eligible to receive transfers of moneys under subsection (3)(b)(B)(ii) of this section.
- (5) In a form and manner prescribed by the Oregon Liquor Control Commission, each city and county in this state shall certify with the commission whether the city or county has an ordinance prohibiting the establishment of a premises for which issuance of a license under ORS 475B.070, 475B.090, 475B.100 or 475B.105 is required. If a city fails to comply with this subsection, the city is not eligible to receive transfers of moneys under subsection (3)(b)(A) of this section. If a county fails to comply with this subsection, the county is not eligible to receive transfers of moneys under subsection (3)(b)(B) of this section.

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- (6) The department shall report annually in writing to an appropriate committee or interim committee of the Legislative Assembly on the amount of moneys transferred in each county under subsection (3) of this section and the number of persons served in each county by the transfers.
- **SECTION 13.** ORS 475B.759, as amended by sections 1 and 2, chapter 81, Oregon Laws 2018, is amended to read:
- 475B.759. (1) There is established the Oregon Marijuana Account, separate and distinct from the General Fund.
  - (2) The account shall consist of moneys transferred to the account under ORS 475B.760.
- (3)(a) The Department of Revenue shall certify quarterly the amount of moneys available in the Oregon Marijuana Account.
- (b) Subject to subsection (4) of this section, the department shall transfer quarterly 20 percent of the moneys in the Oregon Marijuana Account as follows:
- (A) Ten percent of the moneys in the account must be transferred to the cities of this state in the following shares:
- (i) Seventy-five percent of the 10 percent must be transferred in shares that reflect the population of each city of this state that is not exempt from this paragraph pursuant to subsection (4)(a) of this section compared to the population of all cities of this state that are not exempt from this paragraph pursuant to subsection (4)(a) of this section, as determined by Portland State University under ORS 190.510 to 190.610, on the date immediately preceding the date of the transfer; and
- (ii) Twenty-five percent of the 10 percent must be transferred in shares that reflect the number of licenses held pursuant to ORS 475B.070, 475B.090, 475B.100 and 475B.105 on the last business day of the calendar quarter preceding the date of the transfer for premises located in each city compared to the number of licenses held pursuant to ORS 475B.070, 475B.090, 475B.100 and 475B.105 on the last business day of that calendar quarter for all premises in this state located in cities; and
- (B) Ten percent of the moneys in the account must be transferred to counties in the following shares:
- (i) Fifty percent of the 10 percent must be transferred in shares that reflect the total commercially available area of all grow canopies associated with marijuana producer licenses held pursuant to ORS 475B.070 on the last business day of the calendar quarter preceding the date of the transfer for all premises located in each county compared to the total commercially available area of all grow canopies associated with marijuana producer licenses held pursuant to ORS 475B.070 on the last business day of that calendar quarter for all premises located in this state; and
- (ii) Fifty percent of the 10 percent must be transferred in shares that reflect the number of licenses held pursuant to ORS 475B.090, 475B.100 and 475B.105 on the last business day of the calendar quarter preceding the date of the transfer for premises located in each county compared to the number of licenses held pursuant to ORS 475B.090, 475B.100 and 475B.105 on the last business day of that calendar quarter for all premises in this state.
  - (c) Eighty percent of the moneys in the Oregon Marijuana Account must be used as follows:
- (A) Forty percent of the moneys in the account must be used solely for purposes for which moneys in the State School Fund established under ORS 327.008 may be used;
- (B) Twenty percent of the moneys in the account must be used solely for purposes for which moneys in the Mental Health Alcoholism and Drug Services Account established under ORS 430.380 may be used;

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(C) Fifteen percent of the moneys in the account must be used solely for purposes for which

moneys in the State Police Account established under ORS 181A.020 may be used; and

- (D) Five percent of the moneys in the account must be used solely for purposes related to alcohol and drug abuse prevention, early intervention and treatment services.
- (4)(a) A city that has an ordinance prohibiting the establishment of a premises for which issuance of a license under ORS 475B.070, 475B.090, 475B.100 or 475B.105 is required is not eligible to receive transfers of moneys under subsection (3)(b)(A) of this section.
- (b) A county that has an ordinance prohibiting the establishment of a premises for which issuance of a license under ORS 475B.070 is required is not eligible to receive transfers of moneys under subsection (3)(b)(B)(i) of this section.
- (c) A county that has an ordinance prohibiting the establishment of a premises for which issuance of a license under ORS 475B.090, 475B.100 or 475B.105 is required is not eligible to receive transfers of moneys under subsection (3)(b)(B)(ii) of this section.
- (5) In a form and manner prescribed by the Oregon Liquor Control Commission, each city and county in this state shall certify with the commission whether the city or county has an ordinance prohibiting the establishment of a premises for which issuance of a license under ORS 475B.070, 475B.090, 475B.100 or 475B.105 is required. If a city fails to comply with this subsection, the city is not eligible to receive transfers of moneys under subsection (3)(b)(A) of this section. If a county fails to comply with this subsection, the county is not eligible to receive transfers of moneys under subsection (3)(b)(B) of this section.
- (6) The department shall report annually in writing to an appropriate committee or interim committee of the Legislative Assembly on the amount of moneys transferred in each county under subsection (3) of this section and the number of persons served in each county by the transfers.

**SECTION 14.** ORS 660.318 is amended to read:

660.318. (1) To implement and oversee state implementation of the federal Workforce Innovation and Opportunity Act, the Higher Education Coordinating Commission may:

- (a) Receive federal youth activities funds allotted to this state by the Secretary of Labor pursuant to the federal Workforce Innovation and Opportunity Act and allocate those funds that are not reserved according to an allocation formula recommended by the State Workforce and Talent Development Board and approved by the Governor.
- (b) Receive federal adult employment and training activities funds allotted to this state by the Secretary of Labor pursuant to the federal Workforce Innovation and Opportunity Act and allocate those funds that are not reserved according to an allocation formula recommended by the State Workforce and Talent Development Board and approved by the Governor.
- (c) Receive federal dislocated worker funds allotted to this state by the Secretary of Labor pursuant to the federal Workforce Innovation and Opportunity Act and allocate those funds that are not reserved according to an allocation formula recommended by the State Workforce and Talent Development Board and approved by the Governor.
- (d) Establish a procedure for use by local workforce development boards to identify eligible providers of training services according to section 3174 of the federal Act and to maintain the list of providers identified as eligible by the boards in all local workforce development areas in this state.
- (e) Receive the comprehensive strategic plan developed and implemented by each local workforce development board and review the plan, with input from representatives of state and local workforce programs, to determine if the plan meets the requirements of section 3123 of the federal

1 Act and state policy.

- (f) Approve the plans, after review by the State Workforce and Talent Development Board, that are found to meet the requirements of the federal Workforce Innovation and Opportunity Act and review and approve any amendments to the plans.
- (g) Carry out the required and allowable activities described in section 3174 of the federal Act with the advice of the Education and Workforce Policy Advisor.
- (h) Pursuant to ORS 660.339, establish procedures to maintain the confidentiality of the names and records of participants in workforce programs for which the commission is responsible, including circumstances under which the names and records may be disclosed.
- (i) Establish a method to set performance standards for the Secretary of Labor as required under section 3141 of the federal Act.
- (j) Perform planning functions related to programs and performance reporting under the federal Workforce Innovation and Opportunity Act.
- (2)(a) Subject to the availability of funds from the federal Workforce Innovation and Opportunity Act, the commission shall create and operate a summer youth employment program that reestablishes meaningful summer work experience for persons between the ages of 14 and 24 and that meets the requirements for funding under the federal Act.
  - (b) Programs funded under this subsection:
- (A) Must include representatives of the business community in the planning, implementation and evaluation of the program.
  - (B) May provide for private and public sector employment opportunities.
- (C) Shall be managed by local workforce development boards in a manner that coordinates regional state-sponsored youth work experience programs.
- (c) Local workforce development boards responsible for managing programs created under this subsection shall provide training for business, labor and education leaders in use of best practices that ensure positive summer work experiences for participants.
- (3) The commission shall collaborate with the State Workforce and Talent Development Board and local workforce development boards to collect data on summer work experience programs that identify successful summer work experiences and allow for the identification and dissemination of promising practices.
- (4) The commission, in consultation with the State Workforce and Talent Development Board, may adopt rules pursuant to ORS chapter 183 to implement this section.
- (5) The commission shall report annually in writing to an appropriate committee or interim committee of the Legislative Assembly on the amount of moneys allocated in each county under this section and the number of persons served in each county by the allocations.