

House Bill 5030

Introduced and printed pursuant to House Rule 12.00. Pre-session filed (at the request of Oregon Department of Administrative Services)

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**.

Increases amount of lottery bonds authorized to be issued for Oregon Business Development Department and Housing and Community Services Department.

Authorizes issuance of various other lottery bonds.

Establishes funds, or provides for deposit of moneys into existing funds, and appropriates moneys for projects financed.

Declares emergency, effective July 1, 2019.

A BILL FOR AN ACT

1
2 Relating to lottery bonds; creating new provisions; amending ORS 274.064 and 285B.551 and section
3 4, chapter 906, Oregon Laws 2009, and section 3, chapter 786, Oregon Laws 2013; and declaring
4 an emergency.

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

6 **SECTION 1.** ORS 285B.551 is amended to read:

7 285B.551. (1) Pursuant to ORS 286A.560 to 286A.585, at the request of the Oregon Department
8 of Administrative Services, after the department consults with the Oregon Business Development
9 Department, the State Treasurer is authorized to issue lottery bonds:

10 (a) To provide financial and other assistance, including but not limited to loans and grants, to
11 municipalities, ports and other persons and entities in accordance with the laws governing use of
12 moneys in the Special Public Works Fund created by ORS 285B.455, the Water Fund created by ORS
13 285B.563, the Safe Drinking Water Revolving Loan Fund created by ORS 285A.213, the Oregon Port
14 Revolving Fund created by ORS 285A.708, the Brownfields Redevelopment Fund created by ORS
15 285A.188, the Oregon Business Development Fund created by ORS 285B.092 and the Marine Navi-
16 gation Improvement Fund created by ORS 777.267.

17 (b) To fund Oregon's share of the costs of the Columbia River channel deepening project.

18 (c) To fund Oregon's share of the costs of studies and ecosystem restoration projects in the
19 lower Columbia River estuary designed to improve habitat for listed endangered or threatened spe-
20 cies of Columbia River anadromous salmonids.

21 (2) The use of lottery bond proceeds is authorized based on the following findings:

22 (a) The financial and other assistance to municipalities, ports and other persons and entities
23 will assist in the establishment and expansion of businesses in Oregon and in the construction, im-
24 provement and expansion of infrastructure, community and port facilities and other facilities that
25 comprise the physical foundation for industrial and commercial activity and provide the basic
26 framework for continued and expanded economic opportunities and quality communities throughout
27 Oregon.

28 (b) The Columbia River channel deepening project is necessary to allow newer, larger

Note: For budget, see 2019-2021 Biennial Budget

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 steamships access to Oregon and Washington deep draft ports. A deeper shipping channel will allow
2 the Columbia River to continue as a world leader in agricultural exports and as a key trade corridor
3 for farms and businesses throughout Oregon and the region.

4 (c) Such financial and other assistance to municipalities, ports and other persons and entities
5 and the deepening of the Columbia River channel will therefore promote economic development
6 within this state, and thus the use of net proceeds derived from the operation of the Oregon State
7 Lottery to pay debt service on lottery bonds issued under this section to provide such financial and
8 other assistance to municipalities, ports and other persons and entities and to pay a portion of the
9 costs of deepening the Columbia River channel is an authorized use of state lottery funds under
10 section 4, Article XV of the Oregon Constitution, and ORS 461.510.

11 (d) The current lower Columbia River estuary habitat for listed endangered or threatened spe-
12 cies of Columbia River anadromous salmonids could be improved through ecosystem restoration
13 projects. The use of the Oregon State Lottery to pay debt service on lottery bonds issued under this
14 section to pay for studying how the estuary could be improved and to pay for ecosystem restoration
15 projects are authorized uses of state lottery funds.

16 (3)(a) The aggregate principal amount of lottery bonds issued pursuant to subsection (1)(a) of
17 this section for financial and other assistance to municipalities, ports and other persons and entities
18 may not exceed the sum of [~~\$336,226,252~~] **\$425,676,252** and an additional amount estimated by the
19 State Treasurer to be necessary to pay bond-related costs. The aggregate principal amount of lottery
20 bonds issued pursuant to subsection (1)(b) of this section for the Columbia River channel deepening
21 project may not exceed the sum of \$17.7 million and an additional amount estimated by the State
22 Treasurer to be necessary to pay bond-related costs.

23 (b) The Oregon Department of Administrative Services may not request the issuance of lottery
24 bonds under subsection (1)(b) of this section until the Director of the Oregon Business Development
25 Department determines that a final environmental impact statement has been issued and a record
26 of decisions has been submitted to Congress by the United States Army Corps of Engineers, Con-
27 gress has authorized the Columbia River channel deepening project, and the Washington sponsors'
28 shares of the costs of the Columbia River channel deepening project have been committed.

29 (4) The net proceeds of lottery bonds issued pursuant to subsection (1)(a) and (b) of this section
30 shall be deposited in the Economic Infrastructure Project Fund, which is hereby established in the
31 State Treasury separate and distinct from the General Fund. Interest earned by the Economic
32 Infrastructure Project Fund shall be credited to the fund. All moneys in the Economic Infrastructure
33 Project Fund are continuously appropriated to the Oregon Business Development Department for
34 any purpose for which moneys in the Special Public Works Fund created by ORS 285B.455 may be
35 used, any purpose for which moneys in the Water Fund created by ORS 285B.563 may be used, any
36 purpose for which moneys in the Safe Drinking Water Revolving Loan Fund created by ORS
37 285A.213 may be used, any purpose for which moneys in the Oregon Port Revolving Fund created
38 by ORS 285A.708 may be used, any purpose for which moneys in the Brownfields Redevelopment
39 Fund created by ORS 285A.188 may be used, any purpose for which moneys in the Oregon Business
40 Development Fund created by ORS 285B.092 may be used and any purpose for which moneys in the
41 Marine Navigation Improvement Fund created by ORS 777.267 may be used. The Director of the
42 Oregon Business Development Department shall allocate the moneys deposited in the Economic
43 Infrastructure Project Fund for the purposes described in this subsection in accordance with the
44 priorities developed by the Oregon Business Development Commission in accordance with ORS
45 285A.020. However, the director shall transfer from the Economic Infrastructure Project Fund and

1 deposit into the Channel Deepening Account of the Marine Navigation Improvement Fund the pro-
2 ceeds of any lottery bonds sold to finance a portion of the costs of the Columbia River channel
3 deepening project. Upon determining the relative allocation of moneys deposited in the Economic
4 Infrastructure Project Fund among the purposes described in this subsection, the director shall
5 transfer from the Economic Infrastructure Project Fund, and deposit into each of the other funds
6 described in this subsection, the amounts so allocated. Notwithstanding any other provision of law
7 governing the funds described in this subsection, the funds described in this subsection may be
8 credited with moneys transferred from the Economic Infrastructure Project Fund by the director in
9 accordance with this subsection.

10 (5) The aggregate principal amount of lottery bonds issued pursuant to subsection (1)(c) of this
11 section for the costs of studies and ecosystem restoration projects in the lower Columbia River
12 estuary may not exceed the sum of \$750,000 and an additional amount estimated by the State
13 Treasurer to be necessary to pay bond-related costs. The net proceeds of lottery bonds issued pur-
14 suant to subsection (1)(c) of this section shall be deposited in the Oregon Business, Innovation and
15 Trade Fund created by ORS 285A.227 and may be used only for the Oregon nonfederal share of
16 United States Army Corps of Engineers Columbia River estuary projects authorized by Congress
17 prior to August 9, 2001. The director may not request the issuance of lottery bonds under subsection
18 (1)(c) of this section until Congress and Washington have authorized their respective shares of the
19 costs of the studies and ecosystem restoration projects in the lower Columbia River estuary.

20 (6) The proceeds of lottery bonds issued pursuant to this section may be used only for the pur-
21 poses set forth in this section and for bond-related costs.

22 **SECTION 2. (1) For the biennium beginning July 1, 2019, at the request of the Oregon**
23 **Department of Administrative Services, after the department consults with the Oregon**
24 **Business Development Department, the State Treasurer is authorized to issue lottery bonds**
25 **pursuant to ORS 286A.560 to 286A.585 in an amount that produces \$15 million in net proceeds**
26 **for the purposes described in subsection (2) of this section, plus an additional amount esti-**
27 **imated by the State Treasurer to be necessary to pay bond-related costs.**

28 **(2) Net proceeds of lottery bonds issued under this section must be transferred to the**
29 **Oregon Business Development Department for deposit in the Regional Infrastructure Fund**
30 **established in section 3, chapter 786, Oregon Laws 2013, to provide grants and loans to local**
31 **governments for infrastructure projects, including long-range planning, research and design.**
32 **The grants and loans are to be allocated based on recommendations of regionally based**
33 **planning committees designated by the department.**

34 **(3) The Legislative Assembly finds that the use of lottery bond proceeds will create jobs,**
35 **further economic development, finance public education or restore and protect parks,**
36 **beaches, watersheds and native fish and wildlife, and is authorized based on the following**
37 **findings:**

38 **(a) Infrastructure projects will create jobs; and**

39 **(b) Integrated development of infrastructure will establish a foundation for expanding**
40 **existing businesses and for developing and attracting new businesses.**

41 **SECTION 3.** Section 3, chapter 786, Oregon Laws 2013, as amended by section 3, chapter 812,
42 Oregon Laws 2015, and section 4, chapter 748, Oregon Laws 2017, is amended to read:

43 **Sec. 3.** (1) The Regional Infrastructure Fund is established in the State Treasury, separate and
44 distinct from the General Fund. Interest earned on the moneys in the Regional Infrastructure Fund
45 shall be credited to the fund. The Regional Infrastructure Fund consists of moneys deposited in the

1 fund under section 2, chapter 786, Oregon Laws 2013, [and] section 2, chapter 812, Oregon Laws
 2 2015, and section 3 [of this 2017 Act], **chapter 748, Oregon Laws 2017, and section 2 of this 2019**
 3 **Act**, and may include fees, revenues or other income deposited into the fund by the Legislative
 4 Assembly.

5 (2) Moneys in the fund are continuously appropriated to the Oregon Business Development De-
 6 partment for disbursement to local governments for the purposes set forth in section 2, chapter 786,
 7 Oregon Laws 2013, [and] section 2, chapter 812, Oregon Laws 2015, and section 3 [of this 2017
 8 Act], **chapter 748, Oregon Laws 2017, and section 2 of this 2019 Act.**

9 **SECTION 4. (1) For the biennium beginning July 1, 2019, at the request of the Oregon**
 10 **Department of Administrative Services, after the department consults with the Water Re-**
 11 **sources Department, the State Treasurer is authorized to issue lottery bonds pursuant to**
 12 **ORS 286A.560 to 286A.585 in an amount that produces \$15 million in net proceeds for the**
 13 **purposes described in subsection (2) of this section, plus an additional amount estimated by**
 14 **the State Treasurer to be necessary to pay bond-related costs.**

15 (2) Net proceeds of lottery bonds issued under this section must be transferred to the
 16 Water Resources Department for deposit in the Water Supply Development Account estab-
 17 lished in ORS 541.656, to provide grants or loans to evaluate, plan and develop in-stream and
 18 out-of-stream statewide water development projects.

19 (3) The Legislative Assembly finds that the use of lottery bond proceeds will create jobs,
 20 further economic development, finance public education or restore and protect parks,
 21 beaches, watersheds and native fish and wildlife, and is authorized based on the following
 22 findings:

23 (a) Having adequate drinking water systems, irrigation, drainage and healthy ecosystems
 24 enhances community development and supports Oregon’s economic growth; and

25 (b) Assisting local governments to mitigate losses resulting from reduced water supply
 26 for irrigation and retirement of water rights will enhance community efforts to facilitate and
 27 promote economic growth.

28 **SECTION 5.** Section 4, chapter 906, Oregon Laws 2009, as amended by section 3, chapter 624,
 29 Oregon Laws 2011, section 19, chapter 786, Oregon Laws 2013, section 15, chapter 121, Oregon Laws
 30 2014, section 37, chapter 812, Oregon Laws 2015, section 4, chapter 66, Oregon Laws 2016, and sec-
 31 tion 7, chapter 748, Oregon Laws 2017, is amended to read:

32 **Sec. 4. (1)** Pursuant to ORS 286A.560 to 286A.585, at the request of the Oregon Department of
 33 Administrative Services, after the department consults with the Housing and Community Services
 34 Department, the State Treasurer is authorized to issue lottery bonds for the Housing and Community
 35 Services Department to provide financial assistance to aid in the acquisition, renovation or mainte-
 36 nance of section 8 housing or other housing with federal rent subsidies.

37 (2) The use of lottery bond proceeds is authorized based on the following findings:

38 (a) Individuals who are at risk of homelessness or who otherwise pay a disproportionate share
 39 of income for housing increase their potential for self-sufficiency, and use proportionately fewer
 40 community-funded resources when they are provided a stable housing environment.

41 (b) Having housing for at-risk populations is essential to Oregon’s healthy economic growth.

42 (3) The aggregate principal amount of lottery bonds issued pursuant to subsection (1) of this
 43 section may not exceed the amount of [~~\$58,801,718~~] **\$83,801,718** plus an additional amount estimated
 44 by the State Treasurer to be necessary to pay bond-related costs as defined in ORS 286A.560.

45 **SECTION 6. (1) For the biennium beginning July 1, 2019, at the request of the Oregon**

1 Department of Administrative Services, after the department consults with the Housing and
2 Community Services Department, the State Treasurer is authorized to issue lottery bonds
3 pursuant to ORS 286A.560 to 286A.585 in an amount that produces \$15 million in net proceeds
4 for the purposes described in subsection (2) of this section, plus an additional amount esti-
5 mated by the State Treasurer to be necessary to pay bond-related costs.

6 (2) Net proceeds of lottery bonds issued under this section must be transferred to the
7 Housing and Community Services Department for deposit in the Housing Acquisition Fund,
8 established in section 7 of this 2019 Act, to provide funding for loans to purchasers of na-
9 turally occurring affordable housing.

10 (3) The Legislative Assembly finds that the use of lottery bond proceeds will create jobs,
11 further economic development, finance public education or restore and protect parks,
12 beaches, watersheds and native fish and wildlife, and is authorized based on the following
13 findings:

14 (a) Providing financing to purchasers of naturally occurring affordable housing aids in
15 prevention of displacement of existing low and moderate income residents, providing stable
16 housing to promote self-sufficiency; and

17 (b) Preserving quality housing to aid in preventing homelessness is essential to Oregon's
18 healthy economic growth.

19 **SECTION 7.** (1) The Housing Acquisition Fund is established in the State Treasury, sep-
20 arate and distinct from the General Fund. The Housing Acquisition Fund consists of moneys
21 deposited in the fund under section 6 of this 2019 Act and may include moneys appropriated,
22 allocated, deposited or transferred to the fund by the Legislative Assembly or otherwise and
23 interest earned on moneys in the fund.

24 (2) Moneys in the fund are continuously appropriated to the Housing and Community
25 Services Department for disbursement for the purposes set forth in section 6 of this 2019
26 Act.

27 **SECTION 8.** (1) For the biennium beginning July 1, 2019, at the request of the Oregon
28 Department of Administrative Services, after the department consults with Klamath County,
29 the State Treasurer is authorized to issue lottery bonds pursuant to ORS 286A.560 to
30 286A.585 in an amount that produces \$12 million in net proceeds for the purposes described
31 in subsection (2) of this section, plus an additional amount estimated by the State Treasurer
32 to be necessary to pay bond-related costs.

33 (2) Net proceeds of lottery bonds issued under this section must be transferred to the
34 department for deposit in the ODAS Economic Development Distributions Fund established
35 under ORS 461.553 for distribution to Klamath County for construction of the Klamath Youth
36 Inspiration Program residential treatment center in Klamath Falls.

37 (3) The Legislative Assembly finds that the use of lottery bond proceeds will create jobs,
38 further economic development, finance public education or restore and protect parks,
39 beaches, watersheds and native fish and wildlife, and is authorized based on the finding that
40 expanding programs and services for at-risk youth will facilitate and encourage economic
41 development.

42 **SECTION 9.** (1) For the biennium beginning July 1, 2019, at the request of the Oregon
43 Department of Administrative Services, after the department consults with the Oregon Coast
44 Aquarium, the State Treasurer is authorized to issue lottery bonds pursuant to ORS 286A.560
45 to 286A.585 in an amount that produces \$10 million in net proceeds for the purposes described

1 in subsection (2) of this section, plus an additional amount estimated by the State Treasurer
 2 to be necessary to pay bond-related costs.

3 (2) Net proceeds of lottery bonds issued under this section must be transferred to the
 4 department for deposit in the ODAS Economic Development Distributions Fund established
 5 under ORS 461.553 for distribution to the Oregon Coast Aquarium for capital improvements
 6 to the Oregon Coast Aquarium in Newport, including construction of a marine wildlife re-
 7 habilitation and education center.

8 (3) The Legislative Assembly finds that the use of lottery bond proceeds will create jobs,
 9 further economic development, finance public education or restore and protect parks,
 10 beaches, watersheds and native fish and wildlife, and is authorized based on the following
 11 findings:

12 (a) Providing financing to enhance the educational resources of the Oregon Coast
 13 Aquarium promotes learning about the coastal environment, sustainable practices and ma-
 14 rine science careers; and

15 (b) Providing facilities to treat and rehabilitate stranded and endangered marine wildlife
 16 animals will help to protect aquatic life important to the Oregon coast.

17 **SECTION 10.** (1) For the biennium beginning July 1, 2019, at the request of the Oregon
 18 Department of Administrative Services, after the department consults with Oregon Solutions
 19 at Portland State University, the State Treasurer is authorized to issue lottery bonds pur-
 20 suant to ORS 286A.560 to 286A.585 in an amount that produces \$7.5 million in net proceeds
 21 for the purposes described in subsection (2) of this section, plus an additional amount esti-
 22 mated by the State Treasurer to be necessary to pay bond-related costs.

23 (2) Net proceeds of lottery bonds issued under this section must be transferred to the
 24 department for deposit in the ODAS Economic Development Distributions Fund established
 25 under ORS 461.553 for distribution to Oregon Solutions at Portland State University for costs
 26 to repair and reopen the Willamette Falls navigation canal and locks.

27 (3) The Legislative Assembly finds that the use of lottery bond proceeds will create jobs,
 28 further economic development, finance public education or restore and protect parks,
 29 beaches, watersheds and native fish and wildlife, and is authorized based on the following
 30 findings:

31 (a) Reopening the Willamette Falls navigation canal and locks will allow boats, paddlers,
 32 and commercial barges to bypass Willamette Falls which facilitates connected navigation up
 33 and down the Willamette River, helping to support the river's designation as a National
 34 Water Trail and an American Heritage River for commerce, recreation and tourism; and

35 (b) Having the Willamette Falls navigation canal and locks open will help to support
 36 Oregon's healthy economy through transportation, tourism and recreation.

37 **SECTION 11.** (1) For the biennium beginning July 1, 2019, at the request of the Oregon
 38 Department of Administrative Services, after the department consults with the State Fair
 39 Council, the State Treasurer is authorized to issue lottery bonds pursuant to ORS 286A.560
 40 to 286A.585 in an amount that produces \$2 million in net proceeds for the purposes described
 41 in subsection (2) of this section, plus an additional amount estimated by the State Treasurer
 42 to be necessary to pay bond-related costs.

43 (2) Net proceeds of lottery bonds issued under this section must be transferred to the
 44 department for deposit in the ODAS Economic Development Distributions Fund established
 45 under ORS 461.553 for distribution to the State Fair Council for capital improvements to the

1 Poultry Barn at the Oregon State Fair in Salem.

2 (3) The Legislative Assembly finds that the use of lottery bond proceeds will create jobs,
 3 further economic development, finance public education or restore and protect parks,
 4 beaches, watersheds and native fish and wildlife, and is authorized based on the following
 5 findings:

6 (a) Providing financing to improve fairground properties promotes the education and
 7 entertainment of Oregon residents and supports prosperity of industries represented in
 8 Oregon State Fair activities such as agriculture, stock raising and youth group involvement
 9 in agriculture and stock raising; and

10 (b) Making improvements to fairground properties promotes tourism and furthers the
 11 preservation and growth of industries and activities important to Oregon's economy by con-
 12 ducting the Oregon State Fair.

13 **SECTION 12.** (1) For the biennium beginning July 1, 2019, at the request of the Oregon
 14 Department of Administrative Services, after the department consults with the State Fair
 15 Council, the State Treasurer is authorized to issue lottery bonds pursuant to ORS 286A.560
 16 to 286A.585 in an amount that produces \$3 million in net proceeds for the purposes described
 17 in subsection (2) of this section, plus an additional amount estimated by the State Treasurer
 18 to be necessary to pay bond-related costs.

19 (2) Net proceeds of lottery bonds issued under this section must be transferred to the
 20 department for deposit in the ODAS Economic Development Distributions Fund established
 21 under ORS 461.553 for distribution to the State Fair Council for capital improvements to the
 22 Horse Barn at the Oregon State Fair in Salem.

23 (3) The Legislative Assembly finds that the use of lottery bond proceeds will create jobs,
 24 further economic development, finance public education or restore and protect parks,
 25 beaches, watersheds and native fish and wildlife, and is authorized based on the following
 26 findings:

27 (a) Providing financing to improve fairground properties promotes the education and
 28 entertainment of Oregon residents and supports prosperity of industries represented in
 29 Oregon State Fair activities such as agriculture, stock raising and youth group involvement
 30 in agriculture and stock raising; and

31 (b) Making improvements to fairground properties promotes tourism and furthers the
 32 preservation and growth of industries and activities important to Oregon's economy by con-
 33 ducting the Oregon State Fair.

34 **SECTION 13.** As used in sections 13 to 16 of this 2019 Act:

35 (1) "Preconstruction" means project design and engineering or right-of-way acquisition
 36 that is undertaken prior to entering into a construction contract.

37 (2) "Southwest Corridor Light Rail Extension Project" means each stage of the precon-
 38 struction activities and construction activities, including but not limited to design, engi-
 39 neering, right-of-way acquisition and procurement and installation of components, to extend
 40 light rail between Barbur Boulevard in Portland and Bridgeport Village in Tigard.

41 (3) "Tri-Met" means the Tri-County Metropolitan Transportation District of Oregon, a
 42 mass transit district created under ORS chapter 267.

43 **SECTION 14.** (1) For the biennium beginning July 1, 2019, at the request of the Oregon
 44 Department of Administrative Services, in consultation with the Department of Transporta-
 45 tion, the State Treasurer is authorized to issue lottery bonds pursuant to ORS 286A.560 to

1 286A.585 in an amount that produces \$25 million in net proceeds for payment of expenses of
 2 the Southwest Corridor Light Rail Extension Project, plus an additional amount estimated
 3 by the State Treasurer to be necessary to pay bond-related costs.

4 (2) If the requirements specified in section 16 of this 2019 Act have not been met by
 5 January 31, 2021, the lottery bonds authorized under this section may not be issued.

6 (3) Net proceeds of lottery bonds issued under this section shall be deposited in the
 7 Southwest Corridor Light Rail Extension Project Fund established by section 15 of this 2019
 8 Act.

9 (4) Bond-related costs for the lottery bonds authorized by this section must be paid from
 10 the gross proceeds of the lottery bonds and from allocations for purposes of ORS 286A.576
 11 (1)(c).

12 (5) The Legislative Assembly finds that the use of lottery bond proceeds will create jobs,
 13 further economic development, finance public education or restore and protect parks,
 14 beaches, watersheds and native fish and wildlife, and is authorized based on the following
 15 findings:

16 (a) Construction and operation of the Southwest Corridor Light Rail Extension Project
 17 will reduce traffic congestion on existing highways and roads, improving the attractiveness
 18 of the metropolitan area to new businesses and supporting the operations and prosperity of
 19 existing businesses;

20 (b) Construction and operation of the Southwest Corridor Light Rail Extension Project
 21 will reduce the cost and time required for family wage earners to commute to work, per-
 22 mitting more of Oregon's workforce to obtain jobs for which these workers are qualified; and

23 (c) Authorization of the issuance of lottery bonds for the Southwest Corridor Light Rail
 24 Extension Project will increase the likelihood of receiving federal funds for the Southwest
 25 Corridor Light Rail Extension Project that add new revenues that will directly benefit
 26 Oregon's construction industry.

27 **SECTION 15.** The Southwest Corridor Light Rail Extension Project Fund is established
 28 in the State Treasury, separate and distinct from the General Fund. The moneys in the
 29 Southwest Corridor Light Rail Extension Project Fund and the interest earnings on the fund
 30 are continuously appropriated to the Department of Transportation for the purposes de-
 31 scribed in section 16 of this 2019 Act. The fund consists of moneys deposited into the fund
 32 under section 14 of this 2019 Act and may include fees, moneys or other revenues available
 33 for payment of expenses of the Southwest Corridor Light Rail Extension Project from the
 34 United States Department of Transportation or the Federal Highway Administration.

35 **SECTION 16.** (1) The Director of the Department of Transportation shall enter into a
 36 grant agreement with Tri-Met no later than January 31, 2021, that requires the Department
 37 of Transportation to disburse to Tri-Met from the Southwest Corridor Light Rail Extension
 38 Project Fund established by section 15 of this 2019 Act an aggregate amount of \$25 million,
 39 plus interest earnings on moneys in the fund, over the course of the Southwest Corridor
 40 Light Rail Extension Project to pay for costs of the project.

41 (2) Disbursements authorized by this section from the fund shall be made when:

42 (a) Moneys are available in the fund;

43 (b) Tri-Met has entered into one or more contracts for design, construction or acqui-
 44 sition of components of the Southwest Corridor Light Rail Extension Project; and

45 (c) The director determines that:

1 (A) Tri-Met has entered into necessary intergovernmental agreements with local gov-
 2 ernments and can demonstrate it has sufficient financing to complete the preconstruction
 3 or construction phase of the Southwest Corridor Light Rail Extension Project for which
 4 funds are requested; and

5 (B) Except for land required for right-of-way acquisition, Tri-Met has obtained the land
 6 use final order for the phase of the project for which disbursements are requested.

7 (3) After a determination by the director that Tri-Met has met all of the conditions de-
 8 scribed in subsection (2) of this section, the department shall disburse to Tri-Met from the
 9 Southwest Corridor Light Rail Extension Project Fund the amount requested by Tri-Met
 10 until all moneys in the fund have been disbursed to Tri-Met.

11 (4) The state is not liable to the lenders, vendors or contractors of Tri-Met for any action
 12 or omission under sections 13 to 16 of this 2019 Act or the grant agreement authorized by
 13 this section, except for a failure to allocate and deposit in the Southwest Corridor Light Rail
 14 Extension Project Fund amounts authorized by section 14 of this 2019 Act or to disburse
 15 from the fund to Tri-Met amounts required by this section and the grant agreement au-
 16 thorized by this section.

17 SECTION 17. (1) For the biennium beginning July 1, 2019, at the request of the Oregon
 18 Department of Administrative Services, in consultation with the Department of Transporta-
 19 tion, the State Treasurer is authorized to issue lottery bonds pursuant to ORS 286A.560 to
 20 286A.585 in an amount that produces \$20 million in net proceeds for the purpose described
 21 in subsection (2) of this section, plus an additional amount estimated by the State Treasurer
 22 to be necessary to pay bond-related costs.

23 (2) Net proceeds of lottery bonds issued pursuant to this section must be transferred to
 24 the Department of Transportation for deposit in the Connect Oregon Fund established under
 25 ORS 367.080 for the department to finance grants for transportation projects as provided in
 26 ORS 367.080 to 367.089.

27 (3) Bond-related costs for the lottery bonds authorized by this section must be paid from
 28 the gross proceeds of the lottery bonds and from allocations for purposes of ORS 286A.576
 29 (1)(c).

30 (4) The Legislative Assembly finds that the use of lottery bond proceeds will create jobs,
 31 further economic development, finance public education or restore and protect parks,
 32 beaches, watersheds and native fish and wildlife, and is authorized based on the following
 33 findings:

34 (a) There is an urgent need to improve and expand publicly owned and privately owned
 35 transportation infrastructure to support economic development in this state.

36 (b) A safe, efficient and reliable transportation network supports the long-term economic
 37 development and livability of this state.

38 (c) A multimodal network of transportation options moves people and goods efficiently.

39 (d) Local governments and private sector businesses often lack capital and the technical
 40 capacity to undertake multimodal transportation projects.

41 (e) Public financial assistance can stimulate industrial growth and commercial enterprise
 42 and promote employment opportunities in this state.

43 (f) Public investment in transportation infrastructure will create jobs and further eco-
 44 nomic development in this state.

45 SECTION 18. To the extent that proposed transportation projects meet the qualifications

1 established by the Oregon Transportation Commission by rule, the commission shall allocate
2 at least 10 percent of the net proceeds of the lottery bonds authorized by section 17 of this
3 2019 Act to each region described in this section. For purposes of this section, the regions
4 are as follows:

5 (1) Region one consists of Clackamas, Hood River, Multnomah and Washington Counties.

6 (2) Region two consists of Benton, Clatsop, Columbia, Lane, Lincoln, Linn, Marion, Polk,
7 Tillamook and Yamhill Counties.

8 (3) Region three consists of Coos, Curry, Douglas, Jackson and Josephine Counties.

9 (4) Region four consists of Crook, Deschutes, Gilliam, Jefferson, Klamath, Lake,
10 Sherman, Wasco and Wheeler Counties.

11 (5) Region five consists of Baker, Grant, Harney, Malheur, Morrow, Umatilla, Union and
12 Wallowa Counties.

13 **SECTION 19.** (1) For the biennium beginning July 1, 2019, at the request of the Oregon
14 Department of Administrative Services, after the department consults with the Department
15 of State Lands, the State Treasurer is authorized to issue lottery bonds pursuant to ORS
16 286A.560 to 286A.585 in an amount that produces \$5 million in net proceeds for the purposes
17 described in subsection (2) of this section, plus an additional amount estimated by the State
18 Treasurer to be necessary to pay bond-related costs.

19 (2) Net proceeds of lottery bonds issued under this section must be transferred to the
20 Department of State Lands for deposit in the Portland Harbor Cleanup Fund established in
21 ORS 274.064 to provide financial assistance to the department for coordination and partic-
22 ipation in any contracts or agreements relating to or arising out of the Portland Harbor
23 Superfund Site. The purposes of the contracts or agreements may include, but are not lim-
24 ited to:

25 (a) Investigation necessary to characterize existing baseline conditions throughout the
26 Portland Harbor Superfund Site, as well as conditions upstream and downstream that may
27 be impacting the Portland Harbor Superfund Site;

28 (b) Investigation of key sediment management areas to update the extent of areas of
29 higher contamination in the Portland Harbor Superfund Site;

30 (c) Investigation of potential infrastructure needs related to contaminated sediments in
31 the Portland Harbor Superfund Site;

32 (d) Development and administration of a comprehensive data management system for the
33 Portland Harbor Superfund Site;

34 (e) Satisfaction of some or all of the department's obligations under any administrative
35 settlement or administrative order on consent in connection with the Portland Harbor
36 Superfund Site; and

37 (f) Work required by the United States Environmental Protection Agency in connection
38 with the Portland Harbor Superfund Site.

39 (3) In executing contracts for the work described in subsection (2) of this section, the
40 Department of State Lands shall, when practicable, contract with regional contractors em-
41 ploying individuals from communities disproportionately impacted by contamination in the
42 Portland Harbor.

43 (4) The Legislative Assembly finds that the use of lottery bond proceeds will create jobs,
44 further economic development, finance public education or restore and protect parks,
45 beaches, watersheds and native fish and wildlife, and is authorized based on the following

1 **findings:**

2 (a) **Having healthy ecosystems supports Oregon’s economic growth and restores**
 3 **watersheds and habitat for native fish.**

4 (b) **The future cleanup of the Portland Harbor will enhance community efforts to facili-**
 5 **tate and promote economic growth.**

6 **SECTION 20.** ORS 274.064 is amended to read:

7 274.064. (1) The Portland Harbor Cleanup Fund is established in the State Treasury, separate
 8 and distinct from the General Fund. The Portland Harbor Cleanup Fund consists of moneys depos-
 9 ited in the fund under section 10, chapter 748, Oregon Laws 2017, **and section 19 of this 2019 Act,**
 10 and may include moneys appropriated, allocated, deposited or transferred to the fund by the Legis-
 11 lative Assembly or otherwise and interest earned on moneys in the fund.

12 (2) Moneys in the fund are continuously appropriated to the Department of State Lands for
 13 disbursement for the purposes set forth in section 10, chapter 748, Oregon Laws 2017, **and section**
 14 **19 of this 2019 Act.**

15 (3) Nothing in this section or section 10, chapter 748, Oregon Laws 2017, **or section 19 of this**
 16 **2019 Act,** waives or limits the department’s ability to recover, by way of insurance, cost recovery,
 17 contribution, or claim or action relating to or arising out of the Portland Harbor Superfund Site,
 18 moneys from other parties, including claims for costs incurred by the department. In no event shall
 19 anything in this section or section 10, chapter 748, Oregon Laws 2017, **or section 19 of this 2019**
 20 **Act,** be construed as a waiver by the State of Oregon of any form of defense or immunity, whether
 21 sovereign immunity, governmental immunity, immunity based on the Eleventh Amendment to the
 22 United States Constitution or otherwise.

23 **SECTION 21.** (1) **For the biennium beginning July 1, 2019, at the request of the Oregon**
 24 **Department of Administrative Services, after the department consults with the Higher Edu-**
 25 **cation Coordinating Commission, the State Treasurer is authorized to issue lottery bonds**
 26 **pursuant to ORS 286A.560 to 286A.585 in an amount that produces \$8 million in net proceeds**
 27 **for the purposes described in subsection (2) of this section, plus an additional amount esti-**
 28 **imated by the State Treasurer to be necessary to pay bond-related costs.**

29 (2) **Net proceeds of lottery bonds issued under this section must be transferred to the**
 30 **Higher Education Coordinating Commission for deposit in the Facility for Agricultural Re-**
 31 **source Management Fund, established in section 22 of this 2019 Act, to provide a grant to**
 32 **the Blue Mountain Community College to design and construct a new facility for animal**
 33 **science programs, including veterinary technician, livestock breeding and equine health**
 34 **management programs.**

35 (3) **The Legislative Assembly finds that the use of lottery bond proceeds will create jobs,**
 36 **further economic development, finance public education or restore and protect parks,**
 37 **beaches, watersheds and native fish and wildlife, and is authorized based on the following**
 38 **findings:**

39 (a) **Providing financing to build a community college agricultural education building ex-**
 40 **pands opportunities for hands-on learning; and**

41 (b) **Having facilities to prepare students for agricultural careers helps to support**
 42 **Oregon’s rural agricultural economy.**

43 **SECTION 22.** (1) **The Facility for Agricultural Resource Management Fund is established**
 44 **in the State Treasury, separate and distinct from the General Fund. The Facility for Agri-**
 45 **cultural Resource Management Fund consists of moneys deposited in the fund under section**

1 21 of this 2019 Act and may include moneys appropriated, allocated, deposited or transferred
2 to the fund by the Legislative Assembly.

3 (2) Moneys in the fund are continuously appropriated to the Higher Education Coordi-
4 nating Commission for disbursement for the purposes set forth in section 21 of this 2019 Act.

5 SECTION 23. 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 July 1, 2019.

8
