

HB 2205-3
(LC 2648)
3/19/19 (DFY/ps)

Requested by HOUSE COMMITTEE ON VETERANS AND EMERGENCY PREPAREDNESS (at the request of Representative Paul Evans)

**PROPOSED AMENDMENTS TO
HOUSE BILL 2205**

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

3 Delete lines 4 through 7 and insert:

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

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

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

8 **“(c) ‘Preparedness equipment’ means equipment, vehicles or other
9 personal property that:**

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

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

14 **“(d) ‘Qualified applicant’ means an entity that owns or operates a
15 public airport.**

16 **“(e) ‘Recipient’ means an entity that applies for and receives
17 preparedness equipment, or funds to purchase preparedness equip-
18 ment, under the grant program described in subsection (3) of this
19 section.**

20 **“(f) ‘Tax-exempt bond’ means a bond, as defined in ORS 286A.001,
21 the receipt of interest on which is excluded from gross income under**

1 the Internal Revenue Code or that is eligible for a federal interest
2 subsidy payment or other tax-advantaged status.

3 “(2)(a) Before December 31, 2019, the State Aviation Board, in con-
4 sultation with the State Resilience Officer, shall develop a list of
5 preparedness equipment that is needed throughout this state to ad-
6 dress deficiencies in the ability of the state to respond to local and
7 regional emergencies.

8 “(b) In developing the list, the board shall consult and coordinate
9 with the Oregon Department of Aviation, managers of public airports
10 and county, city and tribal emergency managers.

11 “(c) The board shall assign a priority level to each type of
12 preparedness equipment on the list, taking into consideration, without
13 limitation, the types of emergency that are most likely to occur in
14 different regions of this state and the types of preparedness equipment
15 that offer the highest ratio of utility to cost. The board shall period-
16 ically update and revise the list.

17 “(3) The department shall develop and administer a grant program
18 to distribute preparedness equipment, or funds to purchase
19 preparedness equipment, to recipients throughout this state. Pursu-
20 ant to the grant program:

21 “(a) Qualified applicants may request preparedness equipment that
22 is identified on the list described in subsection (2) of this section. Ap-
23 plicants must demonstrate a need for the specific preparedness equip-
24 ment requested, the ability to maintain the preparedness equipment
25 and the ability to use the preparedness equipment to address defi-
26 ciencies in local or regional emergency preparedness.

27 “(b) The department shall identify which requests from applicants,
28 if fulfilled, will maximize the state’s ability to respond to an emer-
29 gency, taking into account considerations that include but are not
30 limited to:

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

3 “(B) The level of need for the requested preparedness equipment as
4 demonstrated by the applicant;

5 “(C) The ability to use and maintain the preparedness equipment
6 as demonstrated by the applicant;

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

9 “(E) Whether the applicant has an alternative means of acquiring
10 the requested preparedness equipment.

11 “(c) The department shall issue grants to applicants identified un-
12 der paragraph (b) of this subsection after entering into grant agree-
13 ments with the applicants as provided in paragraph (e) of this
14 subsection. The department may either purchase the requested
15 preparedness equipment for distribution to a recipient or disburse
16 funds to the recipient for the purchase of the requested preparedness
17 equipment.

18 “(d) The Public Contracting Code does not apply to the acquisition
19 of preparedness equipment by the department or by a recipient pur-
20 suant to this section. When acquiring preparedness equipment pursu-
21 ant to this section, the department and recipients shall use
22 procurement methods that are impartial and transparent to the
23 greatest extent feasible and are designed to maximize value to the
24 State of Oregon.

25 “(e) The department may not disburse preparedness equipment or
26 funds under this section unless the department and the intended re-
27 cipient first enter into a grant agreement. The grant agreement:

28 “(A) Shall require the recipient to maintain the preparedness
29 equipment.

30 “(B) Shall provide that, if a recipient fails to adequately maintain

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

4 “(C) Shall specify that the department may conduct periodic in-
5 spections of the preparedness equipment as described in paragraph (f)
6 of this subsection.

7 “(D) Shall specify that preparedness equipment distributed to the
8 recipient remains the property of the department until it is fully de-
9 preciated under governmental accounting principles, after which the
10 department may offer the preparedness equipment for sale to the re-
11 cipient at its fair market value at the time of sale.

12 “(E) May permit the recipient to use the preparedness equipment
13 for any purpose, governmental or otherwise, that is permissible for
14 assets financed with tax-exempt bonds, including nonemergency pur-
15 poses.

16 “(F) Shall require the recipient to take action or refrain from action
17 as necessary to maintain federal tax benefits related to any tax-exempt
18 bonds that are used to fund the grant and to indemnify the State of
19 Oregon for any costs, expenses or liability due to loss of such federal
20 tax benefits caused by action or inaction of the recipient.

21 “(f) The department shall conduct periodic inspections of
22 preparedness equipment distributed or purchased through the grant
23 program to ensure that recipients are adequately maintaining the
24 preparedness equipment. If the department finds that any
25 preparedness equipment is not adequately maintained, the department
26 may take possession of the preparedness equipment or require the re-
27 cipient to reimburse the department for the cost of the preparedness
28 equipment.

29 “(g) The department may transfer between recipients, dispose of or
30 otherwise manage the preparedness equipment as it determines is in

1 the best interests of meeting the emergency preparedness needs of the
2 State of Oregon. If the department disposes of preparedness equipment
3 for any reason, including sale to a recipient as provided in paragraph
4 (e)(D) of this subsection, the department shall deposit any moneys it
5 receives from the disposal in the Aviation Resiliency Grant Fund es-
6 tablished under section 2 of this 2019 Act.

7 “(4) On or before December 31 of each year, the department shall
8 submit a report to the Legislative Assembly and to the board that de-
9 scribes the administration and effectiveness of the grant program es-
10 tablished under this section and the current prioritized list of
11 preparedness equipment types.

12 “(5) The department shall adopt rules to administer and implement
13 the provisions of this section.

14 “SECTION 2. The Aviation Resiliency Grant Fund is established in
15 the State Treasury, separate and distinct from the General Fund. In-
16 terest earned by the Aviation Resiliency Grant Fund must be credited
17 to the fund. The fund consists of moneys deposited in the fund under
18 section 1 of this 2019 Act and may include moneys appropriated, allo-
19 cated, deposited or transferred to the fund by the Legislative Assembly
20 or otherwise and interest earned on moneys in the fund. The moneys
21 in the fund are continuously appropriated to the Oregon Department
22 of Aviation for the purposes specified in section 1 of this 2019 Act.

23 “SECTION 3. (1) In addition to and not in lieu of any authorization
24 to issue general obligation bonds under ORS 286A.035, in the biennium
25 beginning July 1, 2019, at the request of the Office of Emergency
26 Management, the State Treasurer may issue Article XI-Q bonds under
27 ORS 286A.816 to 286A.826 in an amount that produces \$15 million of
28 net proceeds for the purpose specified in subsection (2) of this section,
29 plus an amount estimated by the State Treasurer to pay bond-related
30 costs.

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

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

7
