

Senate Bill 5534

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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, 2021.

A BILL FOR AN ACT

1
2 Relating to lottery bonds; creating new provisions; amending ORS 285B.551 and sections 4 and 10,
3 chapter 906, Oregon Laws 2009, section 3, chapter 786, Oregon Laws 2013, and section 28,
4 chapter 748, Oregon Laws 2017; and declaring 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 2021-2023 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 [~~\$366,226,252~~] **\$416,226,252** 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, 2021, 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 \$10 million in net proceeds**
 26 **for the purposes described in subsection (2) of this section, plus an additional amount esti-**
 27 **ated 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 Brownfields Redevelopment
 30 Fund established in ORS 285A.188 for the purposes described in ORS 285A.185 and 285A.188.

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

35 (a) Redevelopment of industrial-zoned brownfields improves the economy by returning
 36 the assessed value of the properties to the real market value for property taxation purposes;
 37 and

38 (b) The projects made possible through increased funding to evaluate, clean up and re-
 39 develop brownfields properties create jobs and further economic development.

40 **SECTION 3. (1) For the biennium beginning July 1, 2021, at the request of the Oregon**
 41 **Department of Administrative Services, after the department consults with the Oregon**
 42 **Business Development Department, the State Treasurer is authorized to issue lottery bonds**
 43 **pursuant to ORS 286A.560 to 286A.585 in an amount that produces \$40 million in net proceeds**
 44 **for the purposes described in subsection (2) of this section, plus an additional amount esti-**
 45 **ated by the State Treasurer to be necessary to pay bond-related costs.**

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

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

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

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

14 **SECTION 4.** Section 3, chapter 786, Oregon Laws 2013, as amended by section 3, chapter 812,
 15 Oregon Laws 2015, section 4, chapter 748, Oregon Laws 2017, and section 1, chapter 281, Oregon
 16 Laws 2019, is amended to read:

17 **Sec. 3.** (1) The Regional Infrastructure Fund is established in the State Treasury, separate and
 18 distinct from the General Fund. Interest earned on the moneys in the Regional Infrastructure Fund
 19 shall be credited to the fund. The Regional Infrastructure Fund consists of moneys deposited in the
 20 fund under section 2, chapter 786, Oregon Laws 2013, section 2, chapter 812, Oregon Laws 2015,
 21 [and] section 3, chapter 748, Oregon Laws 2017, **and section 3 of this 2021 Act**, and may include
 22 fees, revenues or other income deposited into the fund by the Legislative Assembly.

23 (2) Moneys in the fund are continuously appropriated to the Oregon Business Development De-
 24 partment for disbursement to local governments and federally recognized Indian tribes located in
 25 this state for the purposes set forth in section 2, chapter 786, Oregon Laws 2013, section 2, chapter
 26 812, Oregon Laws 2015, [and] section 3, chapter 748, Oregon Laws 2017, **and section 3 of this 2021**
 27 **Act.**

28 **SECTION 5.** (1) **For the biennium beginning July 1, 2021, at the request of the Oregon**
 29 **Department of Administrative Services, after the department consults with the Oregon**
 30 **Business Development Department, the State Treasurer is authorized to issue lottery bonds**
 31 **pursuant to ORS 286A.560 to 286A.585 in an amount that produces \$50 million in net proceeds**
 32 **for the purposes described in subsection (2) of this section, plus an additional amount esti-**
 33 **imated by the State Treasurer to be necessary to pay bond-related costs.**

34 **(2) Net proceeds of lottery bonds issued under this section must be transferred to the**
 35 **Oregon Business Development Department for deposit in the Oregon Unreinforced Masonry**
 36 **Seismic Safety Fund established in section 6 of this 2021 Act for the purpose of providing**
 37 **grants to improve the seismic safety, stability and resiliency of eligible properties.**

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

42 **(a) Masonry and concrete buildings are an integral part of the commercial, industrial and**
 43 **nonprofit infrastructure of this state, and unreinforced masonry and unreinforced concrete**
 44 **buildings pose a significant risk to that infrastructure in the event of an earthquake; and**

45 **(b) Improvements to the seismic safety, stability and resiliency of unreinforced masonry**

1 and unreinforced concrete buildings will create jobs and promote the economic vitality of
2 Oregon communities.

3 **SECTION 6.** (1) The Oregon Unreinforced Masonry Seismic Safety Fund is established in
4 the State Treasury, separate and distinct from the General Fund. Interest earned by the
5 Oregon Unreinforced Masonry Seismic Safety Fund must be credited to the fund. The Oregon
6 Unreinforced Masonry Seismic Safety Fund consists of moneys deposited in the fund under
7 section 5 of this 2021 Act and may include moneys appropriated, allocated, deposited or
8 transferred to the fund by the Legislative Assembly or otherwise and interest earned on
9 moneys in the fund.

10 (2) Moneys in the fund are continuously appropriated to the Oregon Business Develop-
11 ment Department for the purposes described in section 5 of this 2021 Act.

12 **SECTION 7.** (1) For the biennium beginning July 1, 2021, at the request of the Oregon
13 Department of Administrative Services, after the department consults with the Oregon
14 Business Development Department, the State Treasurer is authorized to issue lottery bonds
15 pursuant to ORS 286A.560 to 286A.585 in an amount that produces \$47 million in net proceeds
16 for the purposes described in subsection (2) of this section, plus an additional amount esti-
17 mated by the State Treasurer to be necessary to pay bond-related costs.

18 (2) Net proceeds of lottery bonds issued under this section must be transferred to the
19 Oregon Business Development Department for deposit in the OBDD Economic Development
20 Distributions Fund established in section 28, chapter 748, Oregon Laws 2017, for distribution
21 to Oregon communities for wildfire recovery grants.

22 (3) The Legislative Assembly finds that the use of lottery bond proceeds will create jobs,
23 further economic development, finance public education or restore and protect parks,
24 beaches, watersheds and native fish and wildlife, and is authorized based on the finding that
25 providing assistance to Oregon communities for wildfire recovery will enhance the vitality
26 of those communities and promote economic development in this state.

27 **SECTION 8.** Section 28, chapter 748, Oregon Laws 2017, as amended by section 32, chapter 671,
28 Oregon Laws 2019, and section 13, chapter 5, Oregon Laws 2020 (second special session), is amended
29 to read:

30 **Sec. 28.** (1) The OBDD Economic Development Distributions Fund is established in the State
31 Treasury, separate and distinct from the General Fund. Interest earned on the moneys in the OBDD
32 Economic Development Distributions Fund must be credited to the fund. The OBDD Economic De-
33 velopment Distributions Fund consists of moneys deposited in the fund under sections 26 and 27,
34 chapter 748, Oregon Laws 2017, and sections 27 and 31, chapter 671, Oregon Laws 2019, and **section**
35 **7 of this 2021 Act**, and may include fees, revenues or other income deposited into the fund by the
36 Legislative Assembly.

37 (2) Moneys in the fund are continuously appropriated to the Oregon Business Development De-
38 partment for purposes described in sections 26 and 27, chapter 748, Oregon Laws 2017, and sections
39 27 and 31, chapter 671, Oregon Laws 2019, and **section 7 of this 2021 Act**.

40 **SECTION 9.** (1) For the biennium beginning July 1, 2021, at the request of the Oregon
41 Department of Administrative Services, after the department consults with the Department
42 of Education, the State Treasurer is authorized to issue lottery bonds pursuant to ORS
43 286A.560 to 286A.585 in an amount that produces \$17.5 million in net proceeds for the pur-
44 poses described in subsection (2) of this section, plus an additional amount estimated by the
45 State Treasurer to be necessary to pay bond-related costs.

1 (2) Net proceeds of lottery bonds issued under this section must be transferred to the
2 Department of Education for deposit in the Connecting Oregon Schools Fund established in
3 ORS 276A.424 for providing matching funds for federal moneys received by school districts
4 for the purpose of providing broadband access to eligible schools in this state.

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

9 (a) Assisting school districts with matching funds promotes expansion of access to high
10 speed broadband for public education; and

11 (b) Providing financial assistance to school districts for building connections to
12 broadband infrastructure will enhance community efforts to promote economic growth.

13 **SECTION 10.** (1) For the biennium beginning July 1, 2021, at the request of the Oregon
14 Department of Administrative Services, after the department consults with the Oregon Mil-
15 itary Department, 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 Oregon Military Department for deposit in the Resiliency Grant Fund established in ORS
21 401.552 for the Office of Emergency Management to distribute grants to eligible recipients
22 for purchasing emergency preparedness equipment as specified in ORS 401.551.

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 finding that
26 providing assistance for obtaining emergency preparedness equipment that is needed to ad-
27 dress deficiencies in the ability of the state to respond to local and regional emergencies
28 supports economic stability.

29 **SECTION 11.** Section 4, chapter 906, Oregon Laws 2009, as amended by section 3, chapter 624,
30 Oregon Laws 2011, section 19, chapter 786, Oregon Laws 2013, section 15, chapter 121, Oregon Laws
31 2014, section 37, chapter 812, Oregon Laws 2015, section 4, chapter 66, Oregon Laws 2016, section
32 7, chapter 748, Oregon Laws 2017, and section 7, chapter 671, Oregon Laws 2019, is amended to
33 read:

34 **Sec. 4.** (1) Pursuant to ORS 286A.560 to 286A.585, at the request of the Oregon Department of
35 Administrative Services, after the department consults with the Housing and Community Services
36 Department, the State Treasurer is authorized to issue lottery bonds for the Housing and Community
37 Services Department to provide financial assistance to aid in the acquisition, renovation or mainte-
38 nance of properties with project-based federal rental assistance contracts, public housing undergoing
39 significant recapitalization or publicly supported housing as defined in ORS 456.250, or to preserve
40 the affordability of manufactured dwelling parks.

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

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

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

1 (3) The aggregate principal amount of lottery bonds issued pursuant to subsection (1) of this
2 section may not exceed the amount of [~~\$83,801,718~~] **\$93,801,718** plus an additional amount estimated
3 by the State Treasurer to be necessary to pay bond-related costs as defined in ORS 286A.560.

4 **SECTION 12.** (1) For the biennium beginning July 1, 2021, at the request of the Oregon
5 Department of Administrative Services, after the department consults with the Housing and
6 Community Services Department, the State Treasurer is authorized to issue lottery bonds
7 pursuant to ORS 286A.560 to 286A.585 in an amount that produces \$20 million in net proceeds
8 for the purposes described in subsection (2) of this section, plus an additional amount esti-
9 mated by the State Treasurer to be necessary to pay bond-related costs.

10 (2) Net proceeds of lottery bonds issued under this section must be transferred to the
11 Housing and Community Services Department for deposit in the Housing Acquisition Fund
12 established in section 9, chapter 671, Oregon Laws 2019, to provide funding for loans to pur-
13 chasers of naturally occurring affordable housing.

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

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

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

23 **SECTION 13.** (1) For the biennium beginning July 1, 2021, at the request of the Oregon
24 Department of Administrative Services, after the department consults with the Water Re-
25 sources Department, the State Treasurer is authorized to issue lottery bonds pursuant to
26 ORS 286A.560 to 286A.585 in an amount that produces \$20 million in net proceeds for the
27 purposes described in subsection (2) of this section, plus an additional amount estimated by
28 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 Water Resources Department for deposit in the Water Supply Development Account estab-
31 lished in ORS 541.656 for providing grants or loans to evaluate, plan and develop in-stream
32 and out-of-stream statewide water development projects.

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

37 (a) Having adequate drinking water systems, irrigation, drainage and healthy ecosystems
38 enhances community development and supports Oregon's economic growth; and

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

42 **SECTION 14.** (1) For the biennium beginning July 1, 2021, at the request of the Oregon
43 Department of Administrative Services, after the department consults with the Water Re-
44 sources Department, the State Treasurer is authorized to issue lottery bonds pursuant to
45 ORS 286A.560 to 286A.585 in an amount that produces \$500,000 in net proceeds for the pur-

1 poses described in subsection (2) of this section, plus an additional amount estimated by the
2 State Treasurer 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 Water Resources Department for deposit in the Water Resources Department Water Supply
5 Fund established in section 10, chapter 906, Oregon Laws 2009, to finance grants for feasi-
6 bility studies for water conservation, reuse and storage projects.

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

11 (a) Having adequate drinking water systems, irrigation, drainage and healthy ecosystems
12 enhances community development and supports Oregon's economic growth; and

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

16 **SECTION 15.** Section 10, chapter 906, Oregon Laws 2009, as amended by section 5, chapter 624,
17 Oregon Laws 2011, section 14, chapter 812, Oregon Laws 2015, and section 6, chapter 671, Oregon
18 Laws 2019, is amended to read:

19 **Sec. 10.** (1) The Water Resources Department Water Supply Fund is established separate and
20 distinct from the General Fund. Interest earned on moneys deposited in the Water Resources De-
21 partment Water Supply Fund shall be credited to the fund. Moneys in the fund are continuously
22 appropriated to the Water Resources Department.

23 (2) The Water Resources Department Water Supply Fund consists of:

24 (a) Net proceeds of lottery bonds issued pursuant to sections 8 and 9, chapter 906, Oregon Laws
25 2009, deposited into the Water Resources Department Water Supply Fund for the following purposes:

26 (A) \$2,500,000 for the purposes of issuing grants to develop Umatilla Basin critical ground water
27 storage projects described in section 17, chapter 907, Oregon Laws 2009, and to provide or pay for
28 services in connection with those projects.

29 (B) \$217,000 to pay for the operation of loan and grant programs under sections 18 to 27, chapter
30 907, Oregon Laws 2009.

31 (C) \$283,000 for the purpose of developing an integrated state water resources strategy to im-
32 plement the state water resources policy pursuant to ORS 536.220 and section 45, chapter 907,
33 Oregon Laws 2009.

34 (D) \$500,000 for purposes of the grant program established by section 1, chapter 13, Oregon
35 Laws 2008.

36 (b) Net proceeds of lottery bonds issued pursuant to section 4, chapter 624, Oregon Laws 2011,
37 in an amount sufficient to provide \$1,229,052 in net proceeds and interest earnings for the depart-
38 ment to finance grants for feasibility studies for water conservation, reuse and storage projects.

39 (c) \$11 million in net proceeds and interest earnings pursuant to section 13, chapter 812, Oregon
40 Laws 2015, to develop and implement water storage systems and delivery infrastructure, implement
41 conservation and reuse projects or provide access to new water supplies.

42 (d) \$750,000 in net proceeds and interest earnings pursuant to section 13, chapter 812, Oregon
43 Laws 2015, to provide grants for place-based planning.

44 (e) \$1 million in net proceeds and interest earnings pursuant to section 13, chapter 812, Oregon
45 Laws 2015, to repair, replace or remediate water wells in the Mosier Creek area.

1 (f) \$4 million in net proceeds pursuant to section 4 [*of this 2019 Act*], **chapter 671, Oregon Laws**
 2 **2019**, for environmental permitting, planning and design costs for replacement of the Big Creek
 3 Dams.

4 (g) \$14 million in net proceeds pursuant to section 5 [*of this 2019 Act*], **chapter 671, Oregon**
 5 **Laws 2019**, for rehabilitation of the Wallowa Lake Dam.

6 (h) **\$500,000 in net proceeds pursuant to section 14 of this 2021 Act to finance grants for**
 7 **feasibility studies for water conservation, reuse and storage projects.**

8 [*h*] (i) Any other fees, revenues or income deposited in the fund by the Legislative Assembly.

9 **SECTION 16. (1) For the biennium beginning July 1, 2021, at the request of the Oregon**
 10 **Department of Administrative Services, after the department consults with the Department**
 11 **of Transportation, the State Treasurer is authorized to issue lottery bonds pursuant to ORS**
 12 **286A.560 to 286A.585 in an amount that produces \$32 million in net proceeds for the purposes**
 13 **described in subsection (2) of this section, plus an additional amount estimated by the State**
 14 **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 Department of Transportation for deposit in the DOT Economic Development Distributions
 17 Fund established in ORS 461.557 for distribution to the City of Newberg for funding related
 18 to the Newberg-Dundee Bypass, including construction of a new section of road connecting
 19 State Highway 219 to State Highway 99W.

20 (3) The Legislative Assembly finds that the use of lottery bond proceeds will create jobs,
 21 further economic development, finance public education or restore and protect parks,
 22 beaches, watersheds and native fish and wildlife, and is authorized based on the finding that
 23 a safe and efficient transportation network supports the long-term economic development
 24 and livability of this state.

25 **SECTION 17. (1) For the biennium beginning July 1, 2021, at the request of the Oregon**
 26 **Department of Administrative Services, after the department consults with the Higher Edu-**
 27 **cation Coordinating Commission, the State Treasurer is authorized to issue lottery bonds**
 28 **pursuant to ORS 286A.560 to 286A.585 in an amount that produces \$6.5 million in net proceeds**
 29 **for the purposes described in subsection (2) of this section, plus an additional amount esti-**
 30 **imated by the State Treasurer to be necessary to pay bond-related costs.**

31 (2) Net proceeds of lottery bonds issued under this section must be transferred to the
 32 Higher Education Coordinating Commission for deposit in the Facility for Agricultural Re-
 33 source Management Fund established in section 26, chapter 671, Oregon Laws 2019, to pro-
 34 vide a grant to Blue Mountain Community College to design and construct a new facility for
 35 animal science programs, including veterinary technician, livestock breeding and equine
 36 health management.

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 following
 40 findings:

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

43 (b) Having facilities to prepare students for agricultural careers helps to support
 44 Oregon's rural agricultural economy.

45 **SECTION 18. This 2021 Act being necessary for the immediate preservation of the public**

1 **peace, health and safety, an emergency is declared to exist, and this 2021 Act takes effect**
2 **July 1, 2021.**

3
