A-Engrossed

Senate Bill 1501

Ordered by the Senate March 7
Including Senate Amendments dated March 7

Sponsored by JOINT COMMITTEE ON WAYS AND MEANS

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. The statement includes a measure digest written in compliance with applicable readability standards.

Digest: The Act makes changes to law that are needed to effectuate budget decisions. (Flesch Readability Score: 63.4).

[Digest: The Act changes the things that certain housing moneys can be spent on. The Act creates a new fund to hold deposits from private security companies. (Flesch Readability Score: 69.9.)]

Modifies permissible purposes for amounts held in the Long-Term Rent Assistance Fund.

Establishes an account to hold amounts submitted by private security entities as proof of ability to pay wages.

Specifies recipients for certain grants.

Modifies certain fund transfers.

Extends the sunset for the Tide Gate Grant and Loan Fund.

Declares an emergency, effective on passage.

A BILL FOR AN ACT

Relating to state financial administration; creating new provisions; amending ORS 181A.890, 181A.900, 458.392 and 568.976 and sections 22a and 23, chapter 10, Oregon Laws 2020 (second special session), sections 37 and 39, chapter 223, Oregon Laws 2023, and section 33a, chapter 602, Oregon Laws 2023; repealing ORS 568.974 and section 33, chapter 602, Oregon Laws 2023; and declaring an emergency.

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

HOUSING ASSISTANCE

SECTION 1. ORS 458.392 is amended to read:

458.392. (1) There is established the Long-Term Rent Assistance Fund, separate and distinct from the General Fund.

(2) The Long-Term Rent Assistance Fund shall consist of moneys credited to the fund from moneys appropriated or transferred to the fund by the Legislative Assembly or received from the federal government or other grants, gifts or donations from any source.

(3) Moneys in the fund are continuously appropriated to the Housing and Community Services Department to:

(a) Provide rental assistance and other supportive services to people who are experiencing, or are at risk of experiencing, homelessness; and

(b) Carry out the duties under ORS 458.390.

PRIVATE SECURITY ENTITIES

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.

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SECTION 2. The Private Security Entity Account is established in the State Treasury, separate and distinct from the General Fund. The Private Security Entity Account consists of moneys deposited in the account under ORS 181A.900 (3). Moneys in the account are continuously appropriated to the Department of Public Safety Standards and Training for the purpose of payment to persons entitled thereto.

SECTION 3. ORS 181A.900 is amended to read:

ORS 181A.900. (1) The Department of Public Safety Standards and Training shall establish by rule standards and procedures for the licensing of private security entities.

(2) Rules adopted under this section must require that an applicant for a private security entity license:

(a) Submit a written application to the Department of Public Safety Standards and Training on a form approved by the department;

(b) Register the entity as a business with the Secretary of State;

(c) Be the principal owner or principal partner who exercises operational control over the entity;

(d) Designate an executive manager licensed by the department;

(e) Be covered by a general liability insurance policy for which the applicant is a primary insured that includes public liability, personal injury and property damage insurance covering all aspects of the private security services being provided;

(f) Maintain and make available to the department upon request records of the training hours completed by each private security provider employed by the entity;

(g) Demonstrate the existence of use of force and citizen arrest policies, unless the private security entity exclusively monitors alarm systems; and

(h) Provide the following information to the department:

(A) The names and addresses of all persons financially interested, whether as partners, shareholders, associates or profit-sharers, in the applicant’s proposed operations as a private security entity, together with the amount of their respective interests, and whether or not, to the best of the applicant’s knowledge, any of these persons was ever denied a certificate or a license under ORS 181A.870 within the preceding three years, or had a certificate or license suspended or revoked within the preceding three years;

(B) Proof of the existence of adequate insurance under rules issued by the department;

(C) Proof of compliance with business tax requirements;

(D) Any claims for unpaid wages that have been made against the applicant within the preceding two years;

(E) The physical address of the work location or locations at which private security services are provided by private security professionals employed by or pursuant to a contract or subcontract with the applicant; and

(F) For each work location at which private security services are provided by private security professionals pursuant to a contract or subcontract with the applicant, the names of the private security entity or entities contracted or subcontracted with the applicant.

(3) Each applicant shall submit with the application for a private security entity license, proof of financial ability to promptly pay the wages of executive managers, private security professionals and supervisory managers employed by or who contract with the private security entity. The proof required in this subsection shall be in an amount and form as established by the department by rule, including but not limited to, a corporate surety bond, a cash deposit or a deposit the equivalent of [2]
cash. **Amounts received by the department under this subsection must be deposited in the Private Security Entity Account established under section 2 of this 2024 Act.**

(4) The department shall establish fees for issuing licenses to private security entities. The fees may not exceed the prorated direct costs of administering:

(a) The licensing program required by this section;

(b) The license examinations required by ORS 181A.904; and

(c) The investigations required by ORS 181A.902.

**SECTION 4.** ORS 181A.890 is amended to read:

181A.890. **Except as provided in ORS 181A.900 (3),** all moneys received by the Department of Public Safety Standards and Training under ORS 181A.840 to 181A.918 and 181A.995, including penalties recovered under ORS 181A.995 (2), shall be paid into the General Fund in the State Treasury and placed to the credit of the Police Standards and Training Account established in ORS 181A.665.

**LOCAL GOVERNMENT HOUSING SUPPORT**

**SECTION 5.** Section 37, chapter 223, Oregon Laws 2023, is amended to read:

Sec. 37. (1) The Oregon Department of Administrative Services, in consultation with the Department of Land Conservation and Development and the Housing and Community Services Department, shall provide [grants] **a grant to Oregon Economic Development Districts, an Oregon nonprofit corporation, to be distributed** to councils of governments, as defined in ORS 294.900, and economic development districts to support housing and community development capacity within cities and counties in this state and within the nine federally recognized Indian tribes in this state.

(2) Councils of governments and economic development districts receiving [grants] **distributions** under this section shall partner and consult with local governments, developers, financiers, the Department of Land Conservation and Development, the Housing and Community Services Department, other relevant state agencies and other interested public and private partners to enable local governments throughout the region to encourage community development and the development of infrastructure and needed housing, as defined in [section 23, chapter 13, Oregon Laws 2023 (Enrolled House Bill 2001)] ORS 197A.018, by:

(a) Bridging any information gaps;

(b) Identifying and securing needed resources, including infrastructure and community facilities;

(c) Connecting producers of needed housing with consumers of needed housing; and

(d) Working with representatives of historically underrepresented groups to overcome community-specific barriers to obtaining housing.

**SECTION 6.** Section 39, chapter 223, Oregon Laws 2023, is amended to read:

Sec 39. In addition to and not in lieu of any other appropriation, there is appropriated to the Oregon Department of Administrative Services, for the biennium beginning July 1, 2023, out of the General Fund, the amount of $5,000,000, to provide [grants] **the grant** under section 37 [of this 2023 Act], chapter 223, Oregon Laws 2023.

**FUND TRANSFERS**

**SECTION 7.** Section 33, chapter 602, Oregon Laws 2023, is repealed.

**SECTION 8.** Section 33a, chapter 602, Oregon Laws 2023, is amended to read:
Sec. 33a. Notwithstanding ORS 243.167, the amount of [\$50,000,000] \$90,000,000 is transferred from the Public Employees’ Revolving Fund to the Insurance Fund established under ORS 278.425. The transfer shall be made on [May 31, 2025] May 1, 2024.

TIDE GATE GRANT PROGRAM

SECTION 9. Section 22a, chapter 10, Oregon Laws 2020 (second special session), as amended by section 36, chapter 602, Oregon Laws 2023, is amended to read:

Sec. 22a. The Tide Gate Grant and Loan Fund established under section 21, chapter 10, Oregon Laws 2020 (second special session), is abolished on June 30, [2024] 2025. Any moneys remaining in the fund on that date shall be transferred to the Administrative Services Economic Development Fund established under ORS 461.540.

SECTION 10. Section 23, chapter 10, Oregon Laws 2020 (second special session), as amended by section 37, chapter 602, Oregon Laws 2023, is amended to read:

Sec. 23. Sections 21 and 22, chapter 10, Oregon Laws 2020 (second special session), are repealed on June 30, [2024] 2025.

WATER CONSERVATION PROJECTS

SECTION 11. ORS 568.974 is repealed.

SECTION 12. The Oregon Department of Administrative Services shall provide a grant to the Central Oregon Intergovernmental Council to:

(1) In rural areas of this state, coordinate efforts to identify and apply for sources of funding for western juniper treatment, or other water conservation projects, among cities, counties or other organizations; and

(2) Coordinate activities among grant recipients described in ORS 568.972.

SECTION 13. ORS 568.976 is amended to read:

568.976. Recipients of grants described in ORS 568.970, as well as organizations described in ORS 568.974 section 12 of this 2024 Act and sections 51 and 52, chapter 606, Oregon Laws 2023, may accept moneys from state agencies, federal or private funds or grants or the Emergency Board, in addition to the grants, for purposes described in ORS 568.970 and 568.972.

CAPTIONS

SECTION 14. The unit captions used in this 2024 Act are provided only for the convenience of the reader and do not become part of the statutory law of this state or express any legislative intent in the enactment of this 2024 Act.

EMERGENCY CLAUSE

SECTION 15. This 2024 Act being necessary for the immediate preservation of the public peace, health and safety, an emergency is declared to exist, and this 2024 Act takes effect on its passage.