# A-Engrossed Senate Bill 5530

Ordered by the Senate July 4 Including Senate Amendments dated July 4

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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.

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.
- Modifies descriptions of projects previously approved for funding from lottery bond revenue.

Declares emergency, effective July 1, 2017.

# A BILL FOR AN ACT

- 2 Relating to lottery bonds; creating new provisions; amending ORS 285B.551 and section 4, chapter
- 3 906, Oregon Laws 2009, sections 3, 6 and 18, chapter 786, Oregon Laws 2013, and sections 23
- 4 and 28a, chapter 812, Oregon Laws 2015; 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:

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

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

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

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

(a) The financial and other assistance to municipalities, ports and other persons and entities will assist in the establishment and expansion of businesses in Oregon and in the construction, im-

# Note: For budget, see 2017-2019 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 provement and expansion of infrastructure, community and port facilities and other facilities that

2 comprise the physical foundation for industrial and commercial activity and provide the basic

3 framework for continued and expanded economic opportunities and quality communities throughout
4 Oregon.

5 (b) The Columbia River channel deepening project is necessary to allow newer, larger 6 steamships access to Oregon and Washington deep draft ports. A deeper shipping channel will allow 7 the Columbia River to continue as a world leader in agricultural exports and as a key trade corridor 8 for farms and businesses throughout Oregon and the region.

9 (c) Such financial and other assistance to municipalities, ports and other persons and entities 10 and the deepening of the Columbia River channel will therefore promote economic development 11 within this state, and thus the use of net proceeds derived from the operation of the Oregon State 12 Lottery to pay debt service on lottery bonds issued under this section to provide such financial and 13 other assistance to municipalities, ports and other persons and entities and to pay a portion of the 14 costs of deepening the Columbia River channel is an authorized use of state lottery funds under 15 section 4, Article XV of the Oregon Constitution, and ORS 461.510.

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

(3)(a) The aggregate principal amount of lottery bonds issued pursuant to subsection (1)(a) of this section for financial and other assistance to municipalities, ports and other persons and entities may not exceed the sum of [\$306,226,252] \$336,226,252 and an additional amount estimated by the State Treasurer to be necessary to pay bond-related costs. The aggregate principal amount of lottery bonds issued pursuant to subsection (1)(b) of this section for the Columbia River channel deepening project may not exceed the sum of \$17.7 million and an additional amount estimated by the State Treasurer to be necessary to pay bond-related costs.

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

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

Marine Navigation Improvement Fund created by ORS 777.267 may be used. The Director of the 1 Oregon Business Development Department shall allocate the moneys deposited in the Economic 2 Infrastructure Project Fund for the purposes described in this subsection in accordance with the 3 priorities developed by the Oregon Business Development Commission in accordance with ORS 4 285A.020. However, the director shall transfer from the Economic Infrastructure Project Fund and 5 deposit into the Channel Deepening Account of the Marine Navigation Improvement Fund the pro-6 ceeds of any lottery bonds sold to finance a portion of the costs of the Columbia River channel 7 deepening project. Upon determining the relative allocation of moneys deposited in the Economic 8 9 Infrastructure Project Fund among the purposes described in this subsection, the director shall transfer from the Economic Infrastructure Project Fund, and deposit into each of the other funds 10 described in this subsection, the amounts so allocated. Notwithstanding any other provision of law 11 12 governing the funds described in this subsection, the funds described in this subsection may be 13 credited with moneys transferred from the Economic Infrastructure Project Fund by the director in accordance with this subsection. 14

15 (5) The aggregate principal amount of lottery bonds issued pursuant to subsection (1)(c) of this 16 section for the costs of studies and ecosystem restoration projects in the lower Columbia River estuary may not exceed the sum of \$750,000 and an additional amount estimated by the State 17 18 Treasurer to be necessary to pay bond-related costs. The net proceeds of lottery bonds issued pur-19 suant to subsection (1)(c) of this section shall be deposited in the Oregon Business, Innovation and 20 Trade Fund created by ORS 285A.227 and may be used only for the Oregon nonfederal share of United States Army Corps of Engineers Columbia River estuary projects authorized by Congress 2122prior to August 9, 2001. The director may not request the issuance of lottery bonds under subsection 23(1)(c) of this section until Congress and Washington have authorized their respective shares of the costs of the studies and ecosystem restoration projects in the lower Columbia River estuary. 24

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

27 <u>SECTION 2.</u> (1) Net proceeds of lottery bonds issued under ORS 285B.551 during the 28 biennium beginning July 1, 2017, in an amount sufficient to provide \$10 million in net pro-29 ceeds and interest earnings must be transferred to the Oregon Business Development De-30 partment for deposit in the Levee Project Subaccount, established in ORS 285B.456, for the 31 purpose of providing financial assistance under ORS 285B.410 to 285B.482 for levee projects, 32 as defined in ORS 285B.410.

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

(a) Levees are an integral part of the commercial and industrial infrastructure of this
 state.

(b) The inspection, accreditation, certification and repair of levees will promote economic
 development within this state.

41 <u>SECTION 3.</u> (1) For the biennium beginning July 1, 2017, at the request of the Oregon 42 Department of Administrative Services, after the department consults with the Oregon 43 Business Development Department, the State Treasurer is authorized to issue lottery bonds 44 pursuant to ORS 286A.560 to 286A.585 in an amount that produces \$4 million in net proceeds 45 and interest earnings for the purposes described in subsection (2) of this section, plus an 1 additional amount estimated by the State Treasurer to be necessary to pay bond-related 2 costs.

3 (2) Net proceeds of lottery bonds issued under this section in an amount sufficient to 4 provide \$4 million in net proceeds and interest earnings must be transferred to the Oregon 5 Business Development Department for deposit in the Regional Infrastructure Fund estab-6 lished in section 3, chapter 786, Oregon Laws 2013, to provide grants and loans to local gov-7 ernments for infrastructure projects, including long-range planning, research and design. 8 The grants and loans are to be allocated based on recommendations of regionally based 9 planning committees designated by the department.

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

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(a) Infrastructure projects will create jobs; and

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

17 <u>SECTION 4.</u> Section 3, chapter 786, Oregon Laws 2013, as amended by section 3, chapter 812,
 18 Oregon Laws 2015, is amended to read:

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

(2) Moneys in the fund are continuously appropriated to the Oregon Business Development Department for disbursement to local governments for the purposes set forth in section 2, chapter 786,
Oregon Laws 2013, and section 2 [of this 2015 Act], chapter 812, Oregon Laws 2015, and section
3 of this 2017 Act.

<u>SECTION 5.</u> (1) For the biennium beginning July 1, 2017, at the request of the Oregon Department of Administrative Services, after the department consults with the Water Resources Department, the State Treasurer is authorized to issue lottery bonds pursuant to ORS 286A.560 to 286A.585 in an amount that produces \$20,700,000 in net proceeds and interest earnings for the purposes described in subsection (2) of this section, plus an additional amount estimated by the State Treasurer to be necessary to pay bond-related costs.

(2) Net proceeds of lottery bonds issued under this section must be transferred to the
 Water Resources Department for deposit in the Water Supply Development Account estab lished in ORS 541.656, in an amount sufficient to provide:

(a) \$15 million in net proceeds and interest earnings to provide grants or loans to evalu ate, plan and develop in-stream and out-of-stream statewide water development projects.

40 (b) \$2.5 million in net proceeds and interest earnings to the City of Carlton to reduce
41 sedimentation and increase water storage capacity at the Panther Creek Reservoir.

42 (c) \$2 million in net proceeds and interest earnings to the City of Carlton to replace the
 43 city's finished water supply line and reduce water loss.

(d) \$1.2 million in net proceeds and interest earnings to the Santiam Water Control Dis trict to complete the Mill Creek Corporate Center irrigation conversion and efficiency

1 project.

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:

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

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

11 <u>SECTION 6.</u> (1) For the biennium beginning July 1, 2017, at the request of the Oregon 12 Department of Administrative Services, after the department consults with the Water Re-13 sources Department, the State Treasurer is authorized to issue lottery bonds pursuant to 14 ORS 286A.560 to 286A.585 in an amount that produces \$1.5 million in net proceeds and in-15 terest earnings for the purposes described in subsection (2) of this section, plus an additional 16 amount estimated by the State Treasurer to be necessary to pay bond-related costs.

(2) Net proceeds of lottery bonds issued under this section in an amount sufficient to provide \$1.5 million in net proceeds and interest earnings must be transferred to the Water Resources Department for deposit in the Water Conservation, Reuse and Storage Investment Fund, established in ORS 541.576, to be used to pay the qualifying costs of planning studies performed to evaluate the feasibility of developing water conservation, reuse or storage projects.

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

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

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

32 <u>SECTION 7.</u> Section 4, chapter 906, Oregon Laws 2009, as amended by section 3, chapter 624, 33 Oregon Laws 2011, section 19, chapter 786, Oregon Laws 2013, section 15, chapter 121, Oregon Laws 34 2014, section 37, chapter 812, Oregon Laws 2015, and section 4, chapter 66, Oregon Laws 2016, is 35 amended to read:

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

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

(a) Individuals who are at risk of homelessness or who otherwise pay a disproportionate share
of income for housing increase their potential for self-sufficiency, and use proportionately fewer
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 [\$33,801,718] **\$58,801,718** 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 <u>SECTION 8.</u> (1) For the biennium beginning July 1, 2017, at the request of the Oregon 5 Department of Administrative Services, in consultation with the Department of Transporta-6 tion, the State Treasurer is authorized to issue lottery bonds pursuant to ORS 286A.560 to 7 286A.585 in an amount that produces \$30 million in net proceeds and interest earnings for 8 the purpose described in subsection (2) of this section, plus an additional amount estimated 9 by the State Treasurer to be necessary to pay bond-related costs.

(2) Net proceeds of lottery bonds issued pursuant to this section and interest earnings
 must be transferred to the Department of Transportation for deposit in the Connect Oregon
 Fund established under ORS 367.080 in an amount sufficient to provide \$30 million for the
 department to finance grants for transportation projects as provided in ORS 367.080 to
 367.086.

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

(4) The Legislative Assembly finds that issuing lottery bonds to finance transportation
 projects pursuant to this section is essential to promoting the state's economic development,
 and the use of lottery bond proceeds is authorized based on the following findings:

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

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

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

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

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

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

(g) The use of lottery bond proceeds as provided in this section will create jobs, further
economic development, finance public education or restore and protect parks, beaches,
watersheds and native fish and wildlife within Oregon, and issuance of lottery bonds for the
purpose described in this section is therefore an appropriate use of state lottery funds under
Article XV, section 4, of the Oregon Constitution, and ORS 461.510.

37 <u>SECTION 9.</u> To the extent that proposed transportation projects meet the qualifications 38 established by the Oregon Transportation Commission by rule, the commission shall allocate 39 at least 10 percent of the net proceeds of the lottery bonds authorized by section 8 of this 40 2017 Act to each region described in this section. For purposes of this section, the regions 41 are as follows:

42 (1) Region one consists of Clackamas, Hood River, Multnomah and Washington Counties.
43 (2) Region two consists of Benton, Clatsop, Columbia, Lane, Lincoln, Linn, Marion, Polk,
44 Tillamook and Yamhill Counties.

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

1 (4) Region four consists of Crook, Deschutes, Gilliam, Jefferson, Klamath, Lake, 2 Sherman, Wasco and Wheeler Counties.

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

5 <u>SECTION 10.</u> (1) For the biennium beginning July 1, 2017, at the request of the Oregon 6 Department of Administrative Services, after the department consults with the Department 7 of State Lands, the State Treasurer is authorized to issue lottery bonds pursuant to ORS 8 286A.560 to 286A.585 in an amount that produces \$3 million in net proceeds and interest 9 earnings for the purposes described in subsection (2) of this section, plus an additional 10 amount estimated by the State Treasurer to be necessary to pay bond-related costs.

(2) Net proceeds of lottery bonds issued under this section in an amount sufficient to provide \$3 million in net proceeds and interest earnings must be transferred to the Department of State Lands for deposit in the Portland Harbor Cleanup Fund, established in section 14 11 of this 2017 Act, to provide financial assistance to the department for coordination and participation in any contracts or agreements relating to or arising out of the Portland Harbor Superfund Site. The purposes of the contracts or agreements may include, but are not limited to:

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

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

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

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

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

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

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

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

40 (a) Having healthy ecosystems supports Oregon's economic growth and restores
 41 watersheds and habitat for native fish.

42 (b) The future cleanup of the Portland Harbor will enhance community efforts to facili 43 tate and promote economic growth.

44 <u>SECTION 11.</u> (1) The Portland Harbor Cleanup Fund is established in the State Treasury, 45 separate and distinct from the General Fund. The Portland Harbor Cleanup Fund consists 1 of moneys deposited in the fund under section 10 of this 2017 Act and may include moneys

2 appropriated, allocated, deposited or transferred to the fund by the Legislative Assembly or

3 otherwise and interest earned on moneys in the fund.

4 (2) Moneys in the fund are continuously appropriated to the Department of State Lands 5 for disbursement for the purposes set forth in section 10 of this 2017 Act.

6 (3) Nothing in section 10 or 11 of this 2017 Act waives or limits the department's ability 7 to recover, by way of insurance, cost recovery, contribution, or claim or action relating to 8 or arising out of the Portland Harbor Superfund Site, monies from other parties, including 9 claims for costs incurred by the department. In no event shall anything in section 10 or 11 10 of this 2017 Act be construed as a waiver by the State of Oregon of any form of defense or 11 immunity, whether sovereign immunity, governmental immunity, immunity based on the 12 Eleventh Amendment to the United States Constitution or otherwise.

13 <u>SECTION 12.</u> (1) For the biennium beginning July 1, 2017, at the request of the Oregon 14 Department of Administrative Services, after the department consults with the Cascade 15 AIDS Project, the State Treasurer is authorized to issue lottery bonds pursuant to ORS 16 286A.560 to 286A.585 in an amount that produces \$1 million in net proceeds and interest 17 earnings for the purposes described in subsection (2) of this section, plus an additional 18 amount estimated by the State Treasurer to be necessary to pay bond-related costs.

(2) Net proceeds of lottery bonds issued under this section in an amount sufficient to provide \$1 million in net proceeds and interest earnings must be transferred to the department for deposit in the ODAS Economic Development Distributions Fund established under ORS 461.553 for distribution to the Cascade AIDS Project for acquisition and renovation of a primary care and mental health center for the lesbian, gay, bisexual, transgender, queer, and other minority gender identities and sexual orientation community.

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

(a) Individuals increase their potential for self-sufficiency and use fewer public resources
 when they have access to health care.

31 (b) Individuals who have mental illnesses increase their potential for self-sufficiency and 32 use fewer public resources when they have access to mental health services.

<u>SECTION 13.</u> (1) For the biennium beginning July 1, 2017, at the request of the Oregon Department of Administrative Services, after the department consults with the City of Spray, the State Treasurer is authorized to issue lottery bonds pursuant to ORS 286A.560 to 286A.585 in an amount that produces \$725,000 in net proceeds and interest earnings for the purposes described in subsection (2) of this section, plus an additional amount estimated by the State Treasurer to be necessary to pay bond-related costs.

(2) Net proceeds of lottery bonds issued under this section in an amount sufficient to
provide \$725,000 in net proceeds and interest earnings must be transferred to the department
for deposit in the ODAS Economic Development Distributions Fund established under ORS
461.553 for distribution to the City of Spray to construct a public safety and emergency services center, which includes fire protection and emergency medical services.

44 (3) The Legislative Assembly finds that the use of lottery bond proceeds will create jobs,
 45 further economic development, finance public education or restore and protect parks,

1 beaches, watersheds and native fish and wildlife, and is authorized based on the finding that

2 public safety and emergency services are necessary components of a climate that facilitates

3 and encourages economic development.

<u>SECTION 14.</u> (1) For the biennium beginning July 1, 2017, at the request of the Oregon Department of Administrative Services, after the department consults with the Eugene Civic Alliance, the State Treasurer is authorized to issue lottery bonds pursuant to ORS 286A.560 to 286A.585 in an amount that produces \$6 million in net proceeds and interest earnings for the purposes described in subsection (2) of this section, plus an additional amount estimated by the State Treasurer to be necessary to pay bond-related costs.

(2) Net proceeds of lottery bonds issued under this section in an amount sufficient to
 provide \$6 million in net proceeds and interest earnings must be transferred to the depart ment for deposit in the ODAS Economic Development Distributions Fund established under
 ORS 461.553 for distribution to the Eugene Civic Alliance to redevelop the site of the former
 Civic Stadium into a community sports and recreation complex.

(3) The Legislative Assembly finds that the use of lottery bond proceeds will create jobs, further economic development, finance public education or restore and protect parks, beaches, watersheds and native fish and wildlife, and is authorized based on the finding that improving access to sports and recreation services will enhance the economic viability of the region, create jobs and improve the quality of life for the community.

<u>SECTION 15.</u> (1) For the biennium beginning July 1, 2017, at the request of the Oregon Department of Administrative Services, after the department consults with the Family Nurturing Center Rogue Valley Children's Relief Nursery, the State Treasurer is authorized to issue lottery bonds pursuant to ORS 286A.560 to 286A.585 in an amount that produces \$2 million in net proceeds and interest earnings for the purposes described in subsection (2) of this section, plus an additional amount estimated by the State Treasurer to be necessary to pay bond-related costs.

(2) Net proceeds of lottery bonds issued under this section in an amount sufficient to
provide \$2 million in net proceeds and interest earnings must be transferred to the department for deposit in the ODAS Economic Development Distributions Fund established under
ORS 461.553 for distribution to the Family Nurturing Center Rogue Valley Children's Relief
Nursery to purchase and rehabilitate affordable housing adjacent to the Family Nurturing
Center Campus.

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

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

(b) A severe shortage of affordable housing exists in Oregon, and market indicators
 demonstrate a growing gap between the supply of and demand for affordable housing.

41 <u>SECTION 16.</u> (1) For the biennium beginning July 1, 2017, at the request of the Oregon 42 Department of Administrative Services, after the department consults with the Gresham 43 Redevelopment Commission, the State Treasurer is authorized to issue lottery bonds pursu-44 ant to ORS 286A.560 to 286A.585 in an amount that produces \$2 million in net proceeds and 45 interest earnings for the purposes described in subsection (2) of this section, plus an addi-

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tional amount estimated by the State Treasurer to be necessary to pay bond-related costs.

2 (2) Net proceeds of lottery bonds issued under this section in an amount sufficient to 3 provide \$2 million in net proceeds and interest earnings must be transferred to the depart-4 ment for deposit in the ODAS Economic Development Distributions Fund established under 5 ORS 461.553 for distribution to the Gresham Redevelopment Commission for the construction 6 of an innovation and workforce training center to be located in the Rockwood neighborhood 7 in Gresham.

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 finding that 11 training the state's workforce is essential to Oregon's healthy economic growth.

<u>SECTION 17.</u> (1) For the biennium beginning July 1, 2017, at the request of the Oregon Department of Administrative Services, after the department consults with the City of Independence, the State Treasurer is authorized to issue lottery bonds pursuant to ORS 286A.560 to 286A.585 in an amount that produces \$1 million in net proceeds and interest earnings for the purposes described in subsection (2) of this section, plus an additional amount estimated by the State Treasurer to be necessary to pay bond-related costs.

(2) Net proceeds of lottery bonds issued under this section in an amount sufficient to
 provide \$1 million in net proceeds and interest earnings must be transferred to the depart ment for deposit in the ODAS Economic Development Distributions Fund established under
 ORS 461.553 for distribution to the City of Independence to continue development of the In dependence Landing site in the City of Independence.

(3) The Legislative Assembly finds that the use of lottery bond proceeds will create jobs,
further economic development, finance public education or restore and protect parks,
beaches, watersheds and native fish and wildlife, and is authorized based on the finding that
developing the Independence Landing site will enhance the economic viability of the region,
create jobs and improve the quality of life for the community.

28 <u>SECTION 18.</u> (1) For the biennium beginning July 1, 2017, at the request of the Oregon 29 Department of Administrative Services, after the department consults with Klamath County, 30 the State Treasurer is authorized to issue lottery bonds pursuant to ORS 286A.560 to 31 286A.585 in an amount that produces \$1 million in net proceeds and interest earnings for the 32 purposes described in subsection (2) of this section, plus an additional amount estimated by 33 the State Treasurer to be necessary to pay bond-related costs.

(2) Net proceeds of lottery bonds issued under this section in an amount sufficient to
provide \$1 million in net proceeds and interest earnings must be transferred to the department for deposit in the ODAS Economic Development Distributions Fund established under
ORS 461.553 for distribution to Klamath County for construction of the Klamath Youth Inspiration Program residential treatment center in Klamath Falls.

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

44 <u>SECTION 19.</u> (1) For the biennium beginning July 1, 2017, at the request of the Oregon 45 Department of Administrative Services, after the department consults with The Dalles Civic

Auditorium Historic Preservation Committee, the State Treasurer is authorized to issue lottery bonds pursuant to ORS 286A.560 to 286A.585 in an amount that produces \$745,000 in net proceeds and interest earnings for the purposes described in subsection (2) of this section, plus an additional amount estimated by the State Treasurer to be necessary to pay bond-related costs.

6 (2) Net proceeds of lottery bonds issued under this section in an amount sufficient to 7 provide \$745,000 in net proceeds and interest earnings must be transferred to the department 8 for deposit in the ODAS Economic Development Distributions Fund established under ORS 9 461.553 for distribution to The Dalles Civic Auditorium Historic Preservation Committee to 10 continue reconstruction of The Dalles Civic Auditorium theatre.

(3) The Legislative Assembly finds that the use of lottery bond proceeds will create jobs,
further economic development, finance public education or restore and protect parks,
beaches, watersheds and native fish and wildlife, and is authorized based on the finding that
improving access to performing arts and cultural activities will enhance the economic viability of the region, create jobs and improve the quality of life for the community.

16 <u>SECTION 20.</u> (1) For the biennium beginning July 1, 2017, at the request of the Oregon 17 Department of Administrative Services, after the department consults with the City of 18 Woodburn, the State Treasurer is authorized to issue lottery bonds pursuant to ORS 19 286A.560 to 286A.585 in an amount that produces \$1 million in net proceeds and interest 20 earnings for the purposes described in subsection (2) of this section, plus an additional 21 amount estimated by the State Treasurer to be necessary to pay bond-related costs.

(2) Net proceeds of lottery bonds issued under this section in an amount sufficient to
 provide \$1 million in net proceeds and interest earnings must be transferred to the depart ment for deposit in the ODAS Economic Development Distributions Fund established under
 ORS 461.553 for distribution to the City of Woodburn to develop a community center in
 Woodburn.

(3) The Legislative Assembly finds that the use of lottery bond proceeds will create jobs,
further economic development, finance public education or restore and protect parks,
beaches, watersheds and native fish and wildlife, and is authorized based on the finding that
improving access to community services will enhance the economic viability of the region,
create jobs and improve the quality of life for the community.

<u>SECTION 21.</u> (1) For the biennium beginning July 1, 2017, at the request of the Oregon Department of Administrative Services, after the department consults with the YMCA of Marion and Polk Counties, the State Treasurer is authorized to issue lottery bonds pursuant to ORS 286A.560 to 286A.585 in an amount that produces \$12 million in net proceeds and interest earnings for the purposes described in subsection (2) of this section, plus an additional amount estimated by the State Treasurer to be necessary to pay bond-related costs.

(2) Net proceeds of lottery bonds issued under this section in an amount sufficient to
provide \$12 million in net proceeds and interest earnings must be transferred to the department for deposit in the ODAS Economic Development Distributions Fund established under
ORS 461.553 for distribution to the YMCA of Marion and Polk Counties to construct a new
YMCA facility in Salem.

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

1 improving access to sports, recreation and community services will enhance the economic 2 viability of the region, create jobs and improve the quality of life for the community.

SECTION 22. (1) For the biennium beginning July 1, 2017, at the request of the Oregon 3 Department of Administrative Services, after the department consults with the Oregon 4 Business Development Department, the State Treasurer is authorized to issue lottery bonds 5 pursuant to ORS 286A.560 to 286A.585 in an amount that produces \$2,450,000 in net proceeds 6 and interest earnings for transfer to the Oregon Business Development Department for de-7 posit in the Cultural Resources Economic Fund established in section 6, chapter 786, Oregon 8 9 Laws 2013, to provide grants described in subsection (2) of this section, plus an additional amount estimated by the State Treasurer to be necessary to pay bond-related costs. 10

(2) The Oregon Business Development Department shall grant:

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(a) \$1 million to the Portland Art Museum to finance the Connections Campaign that will
 connect the Museum's Main Building to the Mark Building through the construction of a
 glass pavilion.

(b) \$750,000 to the Friends of the Oregon Caves and Chateau to finance the Balcony
 Restoration Project that will rebuild the Chateau's balconies.

(c) \$700,000 to the Eugene Ballet Company to finance the Midtown Arts Center capital
 construction project.

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

(a) The grants described in this section will leverage art and cultural resources to create
 vibrant public spaces that integrate art and cultural and natural amenities, sustain Oregon's
 rich arts and cultural experiences and enhance a strong sense of place and community
 identity.

(b) The factors described in paragraph (a) of this subsection have the effect of creating
jobs, expanding business and tax revenues and enhancing the economic vitality of Oregon
communities.

30 <u>SECTION 23.</u> Section 6, chapter 786, Oregon Laws 2013, as amended by section 27, chapter 812,
 31 Oregon Laws 2015, is amended to read:

Sec. 6. (1) The Cultural Resources Economic Fund is established in the State Treasury, separate and distinct from the General Fund. Interest earned on the moneys in the Cultural Resources Economic Fund shall be credited to the fund. The Cultural Resources Economic Fund consists of moneys deposited in the fund under section 5, chapter 786, Oregon Laws 2013, and section 26, chapter 812, Oregon Laws 2015, and section 22 of this 2017 Act [of this 2015 Act] and may include fees, revenues or other income deposited in the fund by the Legislative Assembly.

(2) Moneys in the fund are continuously appropriated to the Oregon Business Development for
disbursement for the purposes set forth in section 5, chapter 786, Oregon Laws 2013, and section
26, chapter 812, Oregon Laws 2015, and section 22 of this 2017 Act [of this 2015 Act].

41 <u>SECTION 24.</u> (1) For the biennium beginning July 1, 2017, at the request of the Oregon 42 Department of Administrative Services, after the department consults with the Oregon 43 Business Development Department, the State Treasurer is authorized to issue lottery bonds 44 pursuant to ORS 286A.560 to 286A.585 in an amount that produces \$600,000 in net proceeds 45 and interest earnings for the purpose described in subsection (2) of this section, plus an additional amount estimated by the State Treasurer to be necessary to pay bond-related costs. (2) Net proceeds of lottery bonds issued under this section in an amount sufficient to provide \$600,000 in net proceeds and interest earnings must be transferred to the Oregon Business Development Department for deposit in the Brookings Harbor Dock Fund established under section 28a, chapter 812, Oregon Laws 2015, for distribution to the Port of Brookings Harbor for the purpose of repairing and improving docks owned by the port.

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:

(a) Docks are an integral part of the commercial and industrial infrastructure of this
 state.

(b) Repair and improvement of docks will promote economic development within this
 state.

**SECTION 25.** Section 28a, chapter 812, Oregon Laws 2015, is amended to read:

16 Sec. 28a. (1) The Brookings Harbor Dock Fund is established in the State Treasury, separate 17 and distinct from the General Fund. Interest earned on the moneys in the Brookings Harbor Dock 18 Fund shall be credited to the fund. The Brookings Harbor Dock Fund consists of moneys deposited 19 in the fund under section 28, chapter 812, Oregon Laws 2015, and section 24 of this 2017 Act 20 [of this 2015 Act] and may include fees, revenues or other income deposited in the fund by the Leg-21 islative Assembly.

(2) Moneys in the fund are continuously appropriated to the Oregon Business Development for
disbursement for the purposes set forth in section 28, chapter 812, Oregon Laws 2015, and section
24 of this 2017 Act [of this 2015 Act].

25 <u>SECTION 26.</u> (1) For the biennium beginning July 1, 2017, at the request of the Oregon 26 Department of Administrative Services, after the department consults with the Oregon 27 Business Development Department, the State Treasurer is authorized to issue lottery bonds 28 pursuant to ORS 286A.560 to 286A.585 in an amount that produces \$2 million in net proceeds 29 and interest earnings for the purposes described in subsection (2) of this section, plus an 30 additional amount estimated by the State Treasurer to be necessary to pay bond-related 31 costs.

(2) Net proceeds of lottery bonds issued under this section in an amount sufficient to
provide \$2 million in net proceeds and interest earnings must be transferred to the Oregon
Business Development Department for deposit in the OBDD Economic Development Distributions
utions Fund established under section 28 of this 2017 Act for distribution to the City of Sweet
Home to upgrade the Sweet Home Wastewater Treatment Plant.

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

(a) Wastewater treatment systems are an integral part of the commercial and industrial
 infrastructure of this state.

43 (b) Improvement of a wastewater treatment plant will promote economic development
 44 within this state.

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SECTION 27. (1) For the biennium beginning July 1, 2017, at the request of the Oregon

Department of Administrative Services, after the department consults with the Oregon

Business Development Department, the State Treasurer is authorized to issue lottery bonds
 pursuant to ORS 286A.560 to 286A.585 in an amount that produces \$3 million in net proceeds

4 and interest earnings for the purposes described in subsection (2) of this section, plus an 5 additional amount estimated by the State Treasurer to be necessary to pay bond-related

6 costs.

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7 (2) Net proceeds of lottery bonds issued under this section in an amount sufficient to 8 provide \$3 million in net proceeds and interest earnings must be transferred to the Oregon 9 Business Development Department for deposit in the OBDD Economic Development Distrib-10 utions Fund established under section 28 of this 2017 Act for distribution to the Crescent 11 Sanitary District to build a wastewater treatment facility.

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

(a) Wastewater treatment systems are an integral part of the commercial and industrial
 infrastructure of this state.

(b) Addition of a wastewater treatment facility will promote economic development
 within this state.

20 <u>SECTION 28.</u> (1) The OBDD Economic Development Distributions Fund is established in 21 the State Treasury, separate and distinct from the General Fund. Interest earned on the 22 moneys in the OBDD Economic Development Distributions Fund consists of moneys depos-23 ited in the fund under sections 26 and 27 of this 2017 Act and may include fees, revenues or 24 other income deposited into the fund by the Legislative Assembly.

(2) Moneys in the fund are continuously appropriated to the Oregon Business Develop ment Department for purposes described in sections 26 and 27 of this 2017 Act.

27 <u>SECTION 29.</u> (1) For the biennium beginning July 1, 2017, at the request of the Oregon 28 Department of Administrative Services, after the department consults with the Oregon 29 Business Development Department, the State Treasurer is authorized to issue lottery bonds 30 pursuant to ORS 286A.560 to 286A.585 in an amount that produces \$3,390,000 in net proceeds 31 and interest earnings for the purposes described in subsection (2) of this section, plus an 32 additional amount estimated by the State Treasurer to be necessary to pay bond-related 33 costs.

(2) Net proceeds of lottery bonds issued under this section in an amount sufficient to
provide \$3,390,000 in net proceeds and interest earnings must be transferred to the Oregon
Business Development Department for deposit in the American Manufacturing Innovation
District Fund established in section 7a, chapter 66, Oregon Laws 2016, for construction of
access roads to the Oregon Manufacturing Innovation Center Research and Development
Facility and Training Center.

(3) The Legislative Assembly finds that the use of lottery bonds proceeds with create jobs
and further economic development, and is authorized based on the finding that the Oregon
Manufacturing Innovation Center will enable and encourage the development of a robust
manufacturing sector in the Oregon economy.

44 <u>SECTION 30.</u> (1) For the biennium beginning July 1, 2017, at the request of the Oregon 45 Department of Administrative Services, after the department consults with the Department

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of Transportation, the State Treasurer is authorized to issue lottery bonds pursuant to ORS 286A.560 to 286A.585 in an amount that produces \$2 million in net proceeds and interest 3 earnings for the purposes described in subsection (2) of this section, plus an additional 4 amount estimated by the State Treasurer to be necessary to pay bond-related costs.

5 (2) Net proceeds of lottery bonds issued under this section in an amount sufficient to 6 provide \$2 million in net proceeds and interest earnings must be transferred to the Depart-7 ment of Transportation for deposit in the DOT Economic Development Distributions Fund 8 established in ORS 461.557 for distribution to the City of Portland for infrastructure im-9 provements on SW Capitol Highway.

(3) The Legislative Assembly finds that the use of lottery bond proceeds will create jobs,
further economic development, finance public education or restore and protect parks,
beaches, watersheds and native fish and wildlife, and is authorized based on the finding that
roads are an integral part of the commercial and industrial infrastructure of this state and
improvement to roads will promote economic development in this state.

15 <u>SECTION 31.</u> (1) For the biennium beginning July 1, 2017, at the request of the Oregon 16 Department of Administrative Services, after the department consults with the Department 17 of Transportation, the State Treasurer is authorized to issue lottery bonds pursuant to ORS 18 286A.560 to 286A.585 in an amount that produces \$5 million in net proceeds and interest 19 earnings for the purposes described in subsection (2) of this section, plus an additional 20 amount estimated by the State Treasurer to be necessary to pay bond-related costs.

(2) Net proceeds of lottery bonds issued under this section in an amount sufficient to provide \$5 million in net proceeds and interest earnings must be transferred to the Department of Transportation for deposit in the DOT Economic Development Distributions Fund established in ORS 461.557 for distribution to Lane Transit District for upgrades and improvements to existing transit infrastructure.

(3) The Legislative Assembly finds that the use of lottery bond proceeds will create jobs,
further economic development, finance public education or restore and protect parks,
beaches, watersheds and native fish and wildlife, and is authorized based on the finding that
increasing capacity of mass transit systems promotes employment and economic development by enabling a larger pool of workers to travel to available jobs.

SECTION 32. (1) For the biennium beginning July 1, 2017, at the request of the State Parks and Recreation Department, the State Treasurer may issue lottery bonds pursuant to ORS 286A.560 to 286A.585 in an amount that does not exceed \$5 million in net proceeds for the purposes described in subsection (2) of this section, plus an additional amount estimated by the State Treasurer to be necessary to pay bond-related costs.

(2) Net proceeds of lottery bonds issued under this section in an amount sufficient to
 provide \$5 million in net proceeds and interest earnings must be transferred to the State
 Parks and Recreation Department for deposit into the Oregon Main Street Revitalization
 Grant Program Fund established in ORS 390.264 to provide grants pursuant to ORS 390.262.

(3) The Legislative Assembly finds that the use of proceeds of lottery bonds issued pursuant to this section will create jobs, further economic development and enhance the economic vitality of Oregon downtowns and local communities by supporting projects that revitalize historic downtown commercial districts, redevelop and reuse existing buildings, facilitate small business relocation and expansion initiatives and provide assistance, training and technical services.

SECTION 33. Section 18, chapter 786, Oregon Laws 2013, is amended to read:

Sec. 18. (1) For the biennium beginning July 1, 2013, at the request of the Oregon Department of Administrative Services, after the department consults with the Port of Umatilla and the Confederated Tribes of the Umatilla Indian Reservation, the State Treasurer is authorized to issue lottery bonds pursuant to ORS 286A.560 to 286A.585 in an amount that produces \$3.5 million in net proceeds and interest earnings for the purpose described in subsection (2) of this section, plus an additional amount estimated by the State Treasurer to be necessary to pay bond-related costs.

8 (2) Net proceeds of lottery bonds issued under this section in an amount sufficient to provide 9 \$3.5 million in net proceeds and interest earnings must be transferred to the department for deposit 10 in the ODAS Economic Development Distributions Fund established by section 23 of this 2013 Act 11 for distribution to the Confederated Tribes of the Umatilla Indian Reservation for the purpose of 12 acquiring, developing and constructing a [1.5-mile] **1-mile** road extension connecting the Port of 13 Umatilla to certain industrial lands of the Confederated Tribes of the Umatilla Indian Reservation.

(3) The Legislative Assembly finds that the use of lottery bond proceeds will create jobs, further
economic development, finance public education or restore and protect parks, beaches, watersheds
and native fish and wildlife, and is authorized based on the finding that extension of the road will
create jobs and facilitate access and development of industrial lands.

SECTION 34. Section 23, chapter 812, Oregon Laws 2015, is amended to read:

**Sec. 23.** (1) For the biennium beginning July 1, 2015, at the request of the Oregon Department of Administrative Services, after the department consults with Wheeler County, the State Treasurer is authorized to issue lottery bonds pursuant to ORS 286A.560 to 286A.585 in an amount that produces \$2 million in net proceeds and interest earnings for the purpose described in subsection (2) of this section, plus an additional amount estimated by the State Treasurer to be necessary to pay bond-related costs.

(2) Net proceeds of lottery bonds issued under this section in an amount sufficient to provide \$2 million in net proceeds and interest earnings must be transferred to the department for deposit in the ODAS Economic Development Distributions Fund established under ORS 461.553 for distribution to Wheeler County for the purpose of funding the construction of [an underground fiber optic telecommunication line] a telecommunication system.

(3) The Legislative Assembly finds that the use of lottery bond proceeds will create jobs, further economic development, finance public education or restore and protect parks, beaches, watersheds and native fish and wildlife, and is authorized based on the finding that construction of a [*fiber optic telecommunication line*] **telecommunication system** in Wheeler County will bring telecommuting jobs into the county and will expand future opportunities for economic development in the John Day river basin.

36 <u>SECTION 35.</u> This 2017 Act being necessary for the immediate preservation of the public 37 peace, health and safety, an emergency is declared to exist, and this 2017 Act takes effect 38 July 1, 2017.

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