

**A-Engrossed  
Senate Bill 5534**

Ordered by the Senate June 26  
Including Senate Amendments dated June 26

Printed pursuant to Senate Interim Rule 213.28 by order of the President of the Senate in conformance with pre-session filing rules, indicating neither advocacy nor opposition on the part of the President (at the request of Budget and Management Division, Oregon Department of Administrative Services)

**SUMMARY**

The following summary is not prepared by the sponsors of the measure and is not a part of the body thereof subject to consideration by the Legislative Assembly. It is an editor's brief statement of the essential features of the measure.

Maintains lottery revenues available to benefit public purposes during biennium beginning July 1, 2009, in Administrative Services Economic Development Fund. Allocates moneys from fund for biennium beginning July 1, 2009.

Directs Oregon Department of Administrative Services to establish process for quarterly allocations of moneys from Administrative Services Economic Development Fund.

Transfers certain interest earnings from Oregon Education Fund to Lottery Bond Fund for payments by Department of Education on education lottery bonds.

Declares emergency, effective July 1, 2009.

**A BILL FOR AN ACT**

Relating to state financial administration; limiting expenditures; and declaring an emergency.

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

**SECTION 1. During the biennium beginning July 1, 2009, all lottery revenues available to benefit the public purposes specified in section 4, Article XV of the Oregon Constitution, that are in excess of distributions or allocations required by law shall be maintained in the Administrative Services Economic Development Fund.**

**SECTION 2. Except as provided in chapter \_\_\_, Oregon Laws 2009 (Enrolled House Bill 2013), all moneys in the Administrative Services Economic Development Fund as of July 1, 2009, and thereafter are reserved to meet the commitments of this 2009 Act.**

**SECTION 3. The following amounts are allocated for the biennium beginning July 1, 2009, from the Administrative Services Economic Development Fund, to the Economic and Community Development Department, for the following purposes:**

- (1) Shared services..... \$ 6,648,906
- (2) Business, innovation, trade ..... \$ 23,418,391
- (3) Oregon Film and Video Office .. \$ 1,251,703
- (4) Principal and interest  
payments on outstanding lottery  
revenue bonds..... \$ 68,813,104
- (5) Principal and interest  
payments on lottery revenue  
bonds issued for economic  
development activities as

**Note: For budget, see 2009-2011 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 provided by ORS 285B.551 ..... \$ 2,079,041

2 **SECTION 4.** There is allocated for the biennium beginning July 1, 2009, from the Admin-  
3 istrative Services Economic Development Fund, to the Department of Education, for the  
4 State School Fund, the amount of \$439,791,571.

5 **SECTION 5.** There is allocated for the biennium beginning July 1, 2009, from the Admin-  
6 istrative Services Economic Development Fund, to the Department of Transportation, the  
7 amount of \$79,916,398 for the purposes of paying, when due, the principal, interest and pre-  
8 mium, if any, on outstanding lottery bonds for rail projects, rail infrastructure assistance  
9 and multimodal transportation infrastructure projects and on any bonds issued to refund  
10 such lottery bonds, of funding reserves for any of those bonds and of paying related costs  
11 of the department.

12 **SECTION 5a.** There is allocated for the biennium beginning July 1, 2009, from the Ad-  
13 ministrative Services Economic Development Fund, to the Department of Transportation,  
14 the amount of \$5,005,778 for the purposes of paying, when due, the principal, interest and  
15 premium, if any, on lottery bonds issued for multimodal transportation infrastructure  
16 projects and on any bonds issued to refund such lottery bonds, of funding reserves for any  
17 of those bonds and of paying related costs of the department.

18 **SECTION 6.** Pursuant to ORS 461.549, there is allocated for the biennium beginning July  
19 1, 2009, from the Administrative Services Economic Development Fund, to the Problem  
20 Gambling Treatment Fund, for distribution to counties for treatment of gambling addiction,  
21 the amount of \$9,249,772.

22 **SECTION 7.** There is allocated for the biennium beginning July 1, 2009, from the Admin-  
23 istrative Services Economic Development Fund, to the Department of Education, for deposit  
24 in the Lottery Bond Fund for the purpose of paying, when due, the principal, interest and  
25 premium, if any, on outstanding education lottery bonds, the amount of \$34,445,022.

26 **SECTION 8.** There is transferred to the Lottery Bond Fund for the biennium beginning  
27 July 1, 2009, out of the Oregon Education Fund, 100 percent of the declared earnings on the  
28 Education Stability Fund that are transferred to the Oregon Education Fund during the  
29 biennium beginning July 1, 2009, to be used by the Department of Education for the purposes  
30 of maintaining cash flow and paying, when due, the principal, interest and premium, if any,  
31 on outstanding education lottery bonds.

32 **SECTION 9.** There is allocated for the biennium beginning July 1, 2009, from the Admin-  
33 istrative Services Economic Development Fund, to the Housing and Community Services  
34 Department, for the purpose of paying, when due, the principal, interest and premium, if any,  
35 on outstanding lottery bonds, the amount of \$7,294,062.

36 **SECTION 9a.** There is allocated for the biennium beginning July 1, 2009, from the Ad-  
37 ministrative Services Economic Development Fund, to the Housing and Community Services  
38 Department, for the purpose of paying, when due, the principal, interest and premium, if any,  
39 on lottery bonds issued for preservation of section 8 housing or acquisition of manufactured  
40 dwelling parks, the amount of \$1,479,883.

41 **SECTION 10.** There is allocated for the biennium beginning July 1, 2009, from the Ad-  
42 ministrative Services Economic Development Fund, to the Oregon Department of Adminis-  
43 trative Services, for transfer to the State Department of Agriculture, the amount of \$22,000  
44 for the purpose of supporting the administration of county fairs in this state.

45 **SECTION 11.** Pursuant to ORS 565.447, there is allocated for the biennium beginning July

1 1, 2009, from the Administrative Services Economic Development Fund, to the Oregon De-  
2 partment of Administrative Services, the amount of \$3,021,303 for the purpose of supporting  
3 county fairs in this state. Funds allocated under this section shall be deposited in the County  
4 Fair Account established by ORS 565.445.

5 SECTION 12. There is allocated for the biennium beginning July 1, 2009, from the Ad-  
6 ministrative Services Economic Development Fund, to the Oregon Department of Adminis-  
7 trative Services, the amount of \$1,830,791 for the purpose of paying, when due, the principal,  
8 interest and premium, if any, and bond-related costs on outstanding lottery bonds issued to  
9 finance equipment modernization for public broadcasting in Oregon.

10 SECTION 13. There is allocated for the biennium beginning July 1, 2009, from the Ad-  
11 ministrative Services Economic Development Fund, to the Department of Higher Education,  
12 the amount of \$10,400,250 for the purpose of paying, when due, the principal, interest and  
13 premium, if any, on outstanding lottery bonds issued to finance facilities construction and  
14 deferred maintenance projects.

15 SECTION 13a. There is allocated for the biennium beginning July 1, 2009, from the Ad-  
16 ministrative Services Economic Development Fund, to the Department of Community Col-  
17 leges and Workforce Development, the amount of \$7,911,324 for the purpose of paying, when  
18 due, the principal, interest and premium, if any, on outstanding lottery bonds issued to fi-  
19 nance facilities construction and deferred maintenance projects.

20 SECTION 13b. There is allocated for the biennium beginning July 1, 2009, from the Ad-  
21 ministrative Services Economic Development Fund, to the Department of Community Col-  
22 leges and Workforce Development, the amount of \$1,394,779 for the purpose of paying, when  
23 due, the principal, interest and premium, if any, on lottery bonds issued to finance facilities  
24 construction and deferred maintenance projects.

25 SECTION 14. There is allocated for the biennium beginning July 1, 2009, from the Ad-  
26 ministrative Services Economic Development Fund, to the office of the Governor, the  
27 amount of \$2,046,278 for expenses of the Economic Revitalization Team.

28 SECTION 15. For the purpose of carrying out the provisions of ORS 461.543 (4), there is  
29 allocated for the biennium beginning July 1, 2009, from the Administrative Services Economic  
30 Development Fund, to the Sports Lottery Account, the amount of \$9,665,082.

31 SECTION 16. There is allocated for the biennium beginning July 1, 2009, from the Ad-  
32 ministrative Services Economic Development Fund, to the Oregon Department of Adminis-  
33 trative Services, the amount of \$33,064,418 for distribution to counties for economic  
34 development activities as provided by ORS 461.547.

35 SECTION 17. There is allocated for the biennium beginning July 1, 2009, from the Ad-  
36 ministrative Services Economic Development Fund, to the Water Resources Department, the  
37 amount of \$354,912 for the purpose of paying, when due, the principal, interest and premium,  
38 if any, on lottery bonds issued to finance grants for qualifying costs of planning and the  
39 creation of water storage projects, administration and the development of an integrated wa-  
40 ter resources strategy.

41 SECTION 17a. There is allocated for the biennium beginning July 1, 2009, from the Ad-  
42 ministrative Services Economic Development Fund, to the State Forestry Department, the  
43 amount of \$1,507,602 for the purpose of paying, when due, the principal, interest and pre-  
44 mium, if any, on lottery bonds issued for land acquisition.

45 SECTION 17b. There is allocated for the biennium beginning July 1, 2009, from the Ad-

1 administrative Services Economic Development Fund, to the State Department of Energy, the  
2 amount of \$590,348 for the purpose of paying, when due, the principal, interest and premium,  
3 if any, on lottery bonds issued for the Loan Offset Grant Fund established under section 16,  
4 chapter \_\_\_\_\_, Oregon Laws 2009 (Enrolled House Bill 2626).

5 **SECTION 17c.** There is allocated for the biennium beginning July 1, 2009, from the Ad-  
6 ministrative Services Economic Development Fund, to the Oregon Department of Adminis-  
7 trative Services, the amount of \$5,133,130 for the purpose of paying, when due, the principal,  
8 interest and premium, if any, on lottery bonds issued for pass-through payments to other  
9 entities.

10 **SECTION 18.** (1) The Oregon Department of Administrative Services shall establish by  
11 rule a process for allocating available moneys in the Administrative Services Economic De-  
12 velopment Fund on a quarterly basis to fulfill the biennial allocations made in this 2009 Act.  
13 All quarterly allocations shall be set by the Oregon Department of Administrative Services.

14 (2) If, in any quarter, the moneys transferred from the State Lottery Fund to the Ad-  
15 ministrative Services Economic Development Fund are insufficient to pay for the quarterly  
16 allocations made under this 2009 Act, the Oregon Department of Administrative Services:

17 (a) Shall satisfy the debt service obligations for Westside Light Rail in the amount of  
18 \$2,863,158 prior to making any other allocations pursuant to this 2009 Act.

19 (b) Subject to paragraph (a) of this subsection, prior to making any other allocations  
20 pursuant to this 2009 Act, shall satisfy debt service obligations in the following amounts:

- 21 (A) Economic and Community  
22 Development Department ..... \$ 70,892,145
- 23 (B) Department of Education ..... \$ 34,445,022
- 24 (C) Housing and Community Services  
25 Department..... \$ 8,773,945
- 26 (D) Oregon Department of  
27 Administrative Services..... \$ 6,963,921
- 28 (E) Department of Higher  
29 Education..... \$ 10,400,250
- 30 (F) Department of Transportation  
31 for rail and infrastructure  
32 projects ..... \$ 84,922,176
- 33 (G) Water Resources Department .. \$ 354,912
- 34 (H) Department of Community  
35 Colleges and Workforce  
36 Development ..... \$ 9,306,103
- 37 (I) State Department of Energy .... \$ 590,348
- 38 (J) State Forestry Department ..... \$ 1,507,602

39 (3) After the debt service obligations described in subsection (2) of this section are sat-  
40 isfied, if the remaining moneys transferred from the State Lottery Fund to the Administra-  
41 tive Services Economic Development Fund are insufficient to pay for the quarterly  
42 allocations made under this 2009 Act, the allocations shall be reduced proportionately in  
43 sufficient amounts to accommodate the revenue shortfall.

44 **SECTION 19.** (1) The amounts allocated by section 3 (10), chapter 745, Oregon Laws 2007,  
45 for the biennium beginning July 1, 2007, from the Administrative Services Economic Devel-

1 **opment Fund, to the Economic and Community Development Department, for principal and**  
2 **interest payments on lottery revenue bonds is increased by \$46,926.**

3 **(2) The amounts allocated by section 6, chapter 745, Oregon Laws 2007, for the biennium**  
4 **beginning July 1, 2007, from the Administrative Services Economic Development Fund, to the**  
5 **Economic and Community Development Department, for the purpose of paying, when due,**  
6 **the principal, interest and premium, if any, on outstanding lottery bonds for Coos Bay**  
7 **channel deepening projects authorized pursuant to section 13, chapter 746, Oregon Laws 2007,**  
8 **and on any bonds issued to refund such lottery bonds, of funding reserves for any of those**  
9 **bonds and of paying related costs of the department is decreased by \$46,924.**

10 **SECTION 20. (1) The amounts allocated by section 21, chapter 745, Oregon Laws 2007, for**  
11 **the biennium beginning July 1, 2007, from the Administrative Services Economic Develop-**  
12 **ment Fund, to the Department of Higher Education, for the purpose of paying, when due, the**  
13 **principal, interest and premium, if any, on outstanding lottery bonds issued to finance facil-**  
14 **ities construction and deferred maintenance projects is increased by \$28,047.**

15 **(2) The amounts allocated by section 27, chapter 745, Oregon Laws 2007, for the biennium**  
16 **beginning July 1, 2007, from the Administrative Services Economic Development Fund, to the**  
17 **Department of Higher Education, for the purpose of paying, when due, the principal, interest**  
18 **and premium, if any, and bond-related costs on lottery bonds issued to finance capital repair**  
19 **projects is decreased by \$28,046.**

20 **SECTION 21. This 2009 Act being necessary for the immediate preservation of the public**  
21 **peace, health and safety, an emergency is declared to exist, and this 2009 Act takes effect**  
22 **July 1, 2009.**