

Requested by Representative BONHAM

**PROPOSED AMENDMENTS TO
HOUSE BILL 3110**

1 On page 1 of the printed bill, line 2, before the period insert “; and de-
2 claring an emergency”.

3 Delete lines 4 through 27 and delete page 2 and insert:

4 **“SECTION 1. As used in sections 1 to 6 of this 2019 Act, unless the**
5 **context clearly requires another meaning:**

6 **“(1) ‘City’ means a city, town or other community located in this**
7 **state with a population of 2,500 or less.**

8 **“(2) ‘District association’ means Oregon’s Economic Development**
9 **Districts, an organization consisting of member districts designated**
10 **by the United States Economic Development Administration.**

11 **“(3) ‘Grant administrator’ means a person that provides fiscal ad-**
12 **ministration, grant compliance, grant reporting and other similar ad-**
13 **ministrative services required by grant-awarding entities.**

14 **“(4) ‘Member district’ means a district that is a member of Oregon’s**
15 **Economic Development Districts.**

16 **“(5) ‘Rural area’ means an area located in this state that is entirely**
17 **outside the acknowledged Portland Metropolitan Area Regional Urban**
18 **Growth Boundary and the acknowledged urban growth boundaries of**
19 **all cities with populations of 30,000 or more.**

20 **“(6) ‘Rural capacity builder’ means a person that assists communi-**
21 **ties in rural areas:**

1 “(a) To determine local priorities for community and economic de-
2 velopment;

3 “(b) To develop tools, processes and partnerships to address local
4 needs; or

5 “(c) By providing grant writing services.

6 “(7) ‘Rural county’ means a county of this state with a population
7 of 12,000 or less.

8 “(8) ‘Rural grant services’ means assistance to communities in ru-
9 ral areas in:

10 “(a) Identifying funding opportunities to meet community and eco-
11 nomic development needs; and

12 “(b) Applying for grants.

13 “(9) ‘Rural jurisdictions’ means:

14 “(a) Rural counties; and

15 “(b) Federally recognized Indian tribes, cities, school districts and
16 special districts located in rural areas.

17 “SECTION 2. (1) The Oregon Business Development Department
18 shall distribute moneys in the Oregon Rural Capacity Fund established
19 under section 6 of this 2019 Act to provide resources to Oregon’s Eco-
20 nomic Development Districts for the purposes of assisting rural juris-
21 ddictions to learn about, successfully apply for and administer grants
22 and other forms of funding available from any public or private
23 source. The rural jurisdictions shall use such resources solely to attain
24 the staffing and financial and technical capacity necessary to carry
25 out proactive strategies for workforce, infrastructure, economic and
26 community development in the rural jurisdictions.

27 “(2) The district association shall assist, or provide for assistance
28 to, rural jurisdictions by means that include, but are not limited to:

29 “(a) Outreach to the rural jurisdictions about grants and other
30 forms of funding;

1 **“(b) Employment of grant writers or grant administrators to di-**
2 **rectly assist the rural jurisdictions in applying for grants and other**
3 **forms of funding;**

4 **“(c) Direct assistance in administering grants awarded to the rural**
5 **jurisdictions; and**

6 **“(d) Working with state agencies to coordinate investments in wa-**
7 **ter and sewer systems, roads and other elements of basic**
8 **infrastructure needed in cities in rural areas.**

9 **“SECTION 3. The Oregon Business Development Department shall:**

10 **“(1) Develop the policy guiding the implementation of sections 1 to**
11 **6 of this 2019 Act.**

12 **“(2) Communicate the policy and the purposes set forth in section**
13 **2 of this 2019 Act to underserved rural jurisdictions.**

14 **“(3) Determine the amount of moneys available for distribution to**
15 **Oregon’s Economic Development Districts under section 2 of this 2019**
16 **Act.**

17 **“(4) Consult and coordinate with the district association on the**
18 **distribution of moneys under section 2 of this 2019 Act. When con-**
19 **sulting with the district association on the use of moneys, the de-**
20 **partment and the district association shall consider:**

21 **“(a) Which rural jurisdictions are most in need of the assistance**
22 **provided under sections 1 to 6 of this 2019 Act; and**

23 **“(b) The geographical balance of the distributions and assistance.**

24 **“(5) Work with the district association to determine the number**
25 **and location of the grant writers and rural capacity builders to be**
26 **hired with the moneys distributed.**

27 **“(6) Make the distributions under section 2 of this 2019 Act in ac-**
28 **cordance with the policy and priorities developed under this section**
29 **from moneys in the Oregon Rural Capacity Fund established under**
30 **section 6 of this 2019 Act.**

1 **“(7) Oversee the rural grant services provided under sections 1 to 6**
2 **of this 2019 Act.**

3 **“(8) Periodically consult with the League of Oregon Cities, the As-**
4 **sociation of Oregon Counties, the Oregon School Boards Association**
5 **and the Special Districts Association of Oregon on the implementation**
6 **of sections 1 to 6 of this 2019 Act.**

7 **“SECTION 4. (1) This section applies to a member district that re-**
8 **ceives moneys pursuant to section 2 of this 2019 Act.**

9 **“(2)(a) The member district shall expend the moneys solely to pro-**
10 **vide grant writing, grant administration, rural grant and rural capac-**
11 **ity building services to rural jurisdictions for the purposes set forth**
12 **in section 2 of this 2019 Act.**

13 **“(b) The moneys received by the member district, and the activities**
14 **of the member district in expending the moneys, shall supplement and**
15 **may not supplant the resources and activities of the member district.**

16 **“(c) The member district may not use moneys received pursuant to**
17 **section 2 of this 2019 Act to apply for grants for purposes unrelated to**
18 **the purposes set forth in section 2 of this 2019 Act.**

19 **“(d) For purposes of a member district’s assistance to rural juris-**
20 **dictions under this section, the Oregon Business Development De-**
21 **partment may enter into an agreement with a regional solutions**
22 **advisory committee appointed pursuant to ORS 284.754 for a region in**
23 **which the member district is located in order to coordinate the activ-**
24 **ities of the member district, including the use of the moneys distrib-**
25 **uted to the member district, and the regional solutions team for the**
26 **region.**

27 **“(e) The member district shall manage, document and submit**
28 **quarterly reports to the department about the assistance the member**
29 **district provides to rural jurisdictions under this section. The reports**
30 **shall contain at a minimum all applicable information required under**

1 section 5 (2) of this 2019 Act.

2 “(3)(a) The member district may hire an individual under this sec-
3 tion as an employee or an independent contractor.

4 “(b) The member district may assign individuals hired under this
5 section to provide the services described in subsection (2)(a) of this
6 section to more than one rural jurisdiction.

7 **“SECTION 5. (1) Not later than September 15 of each year, the**
8 **Oregon Business Development Department shall provide a brief report,**
9 **in the manner required under ORS 192.245, to the interim committees**
10 **of the Legislative Assembly related to economic development, that**
11 **describes the activities that Oregon’s Economic Development Districts**
12 **engaged in for the previous 12-month period under sections 1 to 6 of**
13 **this 2019 Act and the results of those activities.**

14 “(2) At a minimum, the report required under this section shall
15 identify:

16 “(a) The rural jurisdictions that requested assistance funded by the
17 district association;

18 “(b) The rural jurisdictions that received such assistance;

19 “(c) The populations served by the rural jurisdictions that requested
20 assistance funded by the district association;

21 “(d) The populations served by the rural jurisdictions that received
22 such assistance;

23 “(e) The number of funding opportunities, and the dollar amount
24 of private and public funds, separately stated, that the rural jurisdic-
25 tions applied for with assistance funded by the district association;

26 “(f) The number of funding opportunities from which the rural ju-
27 risdictions received funding with such assistance, and the dollar
28 amount of private and public funding so received, separately stated;

29 “(g) The multiplier effects of grants and other forms of funding
30 received by the rural jurisdictions with assistance funded by the dis-

1 **trict association;**

2 **“(h) The expected effect of grants and other forms of funding re-**
3 **ceived by the rural jurisdictions with assistance funded by the district**
4 **association on the timing of the commencement and completion of**
5 **projects;**

6 **“(i) The number of jobs created by rural jurisdictions that received**
7 **assistance under sections 1 to 6 of this 2019 Act;**

8 **“(j) The return on investment of moneys distributed to member**
9 **districts under section 2 of this 2019 Act; and**

10 **“(k) Any other information the department considers important to**
11 **include in the report.**

12 **“SECTION 6. (1) The Oregon Rural Capacity Fund is established in**
13 **the State Treasury, separate and distinct from the General Fund. In-**
14 **terest earned by the Oregon Rural Capacity Fund shall be credited to**
15 **the fund.**

16 **“(2) Moneys in the fund consist of:**

17 **“(a) Amounts appropriated or otherwise transferred or credited to**
18 **the fund by the Legislative Assembly;**

19 **“(b) Moneys from the federal government, state agencies or local**
20 **governments transferred or otherwise credited to the fund;**

21 **“(c) Amounts donated or otherwise given to the fund;**

22 **“(d) Earnings received on moneys in the fund; and**

23 **“(e) Other amounts from any source transferred or otherwise cred-**
24 **ited to the fund.**

25 **“(3)(a) Moneys in the fund are continuously appropriated to the**
26 **Oregon Business Development Department for the purpose of making**
27 **the expenditures set forth in this subsection.**

28 **“(b) The department may retain an amount equal to five percent**
29 **of moneys appropriated or otherwise transferred or credited to the**
30 **fund to pay the for the administrative and operational expenses of**

1 department under sections 1 to 6 of this 2019 Act.

2 “(c) The department shall distribute the balance of the moneys in
3 accordance with section 2 of this 2019 Act.

4 **“SECTION 7.** There is appropriated to the Oregon Business Devel-
5 opment Department, for the biennium beginning July 1, 2019, out of
6 the General Fund, the amount of \$918,750, to be expended in accord-
7 ance with sections 1 to 6 of this 2019 Act.

8 **“SECTION 8.** (1) Sections 1 to 6 of this 2019 Act become operative
9 on January 1, 2020.

10 “(2)(a) As used in this subsection, ‘person’ means each of:

11 “(A) The Director of the Oregon Business Development Department;
12 and

13 “(B) Oregon’s Economic Development Districts.

14 “(b) Notwithstanding the date specified in subsection (1) of this
15 section, a person may take any action before the date specified in
16 subsection (1) of this section that is necessary for the person to exer-
17 cise, on and after the date specified in subsection (1) of this section,
18 all of the duties, functions and powers respectively conferred on the
19 person by sections 1 to 6 of this 2019 Act.

20 **“SECTION 9.** This 2019 Act being necessary for the immediate
21 preservation of the public peace, health and safety, an emergency is
22 declared to exist, and this 2019 Act takes effect on its passage.”.

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