

# Senate Bill 461

Sponsored by Senator HANSELL, Representative LEVY B (Presession filed.)

## SUMMARY

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

Directs Oregon Business Development Department to develop and implement program to grant additional funding for certain capital construction projects affected by inflation or disruptions related to COVID-19 pandemic.

Declares emergency, effective July 1, 2023.

## A BILL FOR AN ACT

1  
2 Relating to capital construction; and declaring an emergency.

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

4 **SECTION 1. (1) The Oregon Business Development Department shall develop and imple-**  
5 **ment a program to grant additional funding for certain capital construction projects, as de-**  
6 **scribed in this section.**

7 **(2) A capital construction project is eligible for additional funding under this section only**  
8 **if:**

9 **(a) The project is funded in whole or in part from moneys received from the State of**  
10 **Oregon pursuant to law enacted in calendar years 2018 to 2021; and**

11 **(b) The project is underfunded, at the time of application, due to:**

12 **(A) Inflation; or**

13 **(B) Disruptions related to the COVID-19 pandemic, including supply chain disruptions**  
14 **resulting in increased costs of materials, delays in procurement of goods or services, and**  
15 **delays in receipt of moneys.**

16 **(3) A constructing authority, or a state agency on behalf of a constructing authority,**  
17 **may apply to the department for additional funding for an eligible capital construction**  
18 **project. The department shall specify the form and content of an application. The application**  
19 **must include a statement of cost overruns that are due to inflation or disruptions related**  
20 **to the COVID-19 pandemic. The department may require the submission of any additional**  
21 **information the department deems necessary to validate the statement of cost overruns.**

22 **(4) The department shall grant additional funding to a constructing authority in the**  
23 **amount of the cost overruns stated in the application. Before disbursing moneys under this**  
24 **section, the department shall execute a grant agreement with a constructing authority that**  
25 **specifies the purposes for which the constructing authority may expend the additional fund-**  
26 **ing.**

27 **(5) The department shall adopt rules for the administration of this section.**

28 **(6) As used in this section:**

29 **(a) "Capital construction project" means a project for the construction, modification,**  
30 **replacement, repair, remodeling or renovation of a structure, or an addition to a structure,**

**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 **that is expected to have a useful life of more than one year.**

2 **(b) “Constructing authority” means a person responsible for expending moneys received**  
3 **from the State of Oregon for a capital construction project.**

4 **SECTION 2. This 2023 Act being necessary for the immediate preservation of the public**  
5 **peace, health and safety, an emergency is declared to exist, and this 2023 Act takes effect**  
6 **July 1, 2023.**

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