

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

1
2 Relating to state financial administration; creating new provisions; amending ORS 181A.890,
3 181A.900, 458.392 and 568.976 and sections 22a and 23, chapter 10, Oregon Laws 2020 (second
4 special session), sections 37 and 39, chapter 223, Oregon Laws 2023, and section 33a, chapter
5 602, Oregon Laws 2023; repealing ORS 568.974 and section 33, chapter 602, Oregon Laws 2023;
6 and declaring an emergency.

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

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9 **HOUSING ASSISTANCE**

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11 **SECTION 1.** ORS 458.392 is amended to read:

12 458.392. (1) There is established the Long-Term Rent Assistance Fund, separate and distinct from
13 the General Fund.

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

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

19 (a) **Provide rental assistance and other supportive services to people who are experienc-**
20 **ing, or are at risk of experiencing, homelessness; and**

21 (b) Carry out the duties under ORS 458.390.

22
23 **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.

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

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

7 181A.900. (1) The Department of Public Safety Standards and Training shall establish by rule
8 standards and procedures for the licensing of private security entities.

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

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

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

14 (c) Be the principal owner or principal partner who exercises operational control over the en-
15 tity;

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

17 (e) Be covered by a general liability insurance policy for which the applicant is a primary in-
18 sured that includes public liability, personal injury and property damage insurance covering all as-
19 pects of the private security services being provided;

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

22 (g) Demonstrate the existence of use of force and citizen arrest policies, unless the private se-
23 curity entity exclusively monitors alarm systems; and

24 (h) Provide the following information to the department:

25 (A) The names and addresses of all persons financially interested, whether as partners, share-
26 holders, associates or profit-sharers, in the applicant's proposed operations as a private security
27 entity, together with the amount of their respective interests, and whether or not, to the best of the
28 applicant's knowledge, any of these persons was ever denied a certificate or a license under ORS
29 181A.870 within the preceding three years, or had a certificate or license suspended or revoked
30 within the preceding three years;

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

32 (C) Proof of compliance with business tax requirements;

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

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

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

41 (3) Each applicant shall submit with the application for a private security entity license, proof
42 of financial ability to promptly pay the wages of executive managers, private security professionals
43 and supervisory managers employed by or who contract with the private security entity. The proof
44 required in this subsection shall be in an amount and form as established by the department by rule,
45 including but not limited to, a corporate surety bond, a cash deposit or a deposit the equivalent of

1 cash. **Amounts received by the department under this subsection must be deposited in the**
2 **Private Security Entity Account established under section 2 of this 2024 Act.**

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

- 5 (a) The licensing program required by this section;
- 6 (b) The license examinations required by ORS 181A.904; and
- 7 (c) The investigations required by ORS 181A.902.

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

9 181A.890. **Except as provided in ORS 181A.900 (3)**, all moneys received by the Department of
10 Public Safety Standards and Training under ORS 181A.840 to 181A.918 and 181A.995, including
11 penalties recovered under ORS 181A.995 (2), shall be paid into the General Fund in the State
12 Treasury and placed to the credit of the Police Standards and Training Account established in ORS
13 181A.665.

14 LOCAL GOVERNMENT HOUSING SUPPORT

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16
17 **SECTION 5.** Section 37, chapter 223, Oregon Laws 2023, is amended to read:

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

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

- 31 (a) Bridging any information gaps;
- 32 (b) Identifying and securing needed resources, including infrastructure and community facilities;
- 33 (c) Connecting producers of needed housing with consumers of needed housing; and
- 34 (d) Working with representatives of historically underrepresented groups to overcome
35 community-specific barriers to obtaining housing.

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

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

41 FUND TRANSFERS

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

45 **SECTION 8.** Section 33a, chapter 602, Oregon Laws 2023, is amended to read:

