

Enrolled
House Bill 5030

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CHAPTER

AN ACT

Relating to lottery bonds; creating new provisions; amending ORS 285B.551 and sections 4 and 10, chapter 906, Oregon Laws 2009, section 19, chapter 624, Oregon Laws 2011, sections 3, 6 and 10, chapter 786, Oregon Laws 2013, and section 8, chapter 121, Oregon Laws 2014; and declaring an emergency.

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

SECTION 1. ORS 285B.551 is amended to read:

285B.551. (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 Oregon Business Development 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.

(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.

(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, improvement and expansion of infrastructure, community and port facilities and other facilities that comprise the physical foundation for industrial and commercial activity and provide the basic framework for continued and expanded economic opportunities and quality communities throughout Oregon.

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

(c) Such financial and other assistance to municipalities, ports and other persons and entities and the deepening of the Columbia River channel will therefore promote economic development

within this state, and thus the use of net proceeds derived from the operation of the Oregon State Lottery to pay debt service on lottery bonds issued under this section to provide such financial and other assistance to municipalities, ports and other persons and entities and to pay a portion of the costs of deepening the Columbia River channel is an authorized use of state lottery funds under 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 [~~\$288,226,252~~] **\$306,226,252** 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.

(4) The net proceeds of lottery bonds issued pursuant to subsection (1)(a) and (b) of this section shall 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 Infrastructure Project Fund shall be credited to the fund. All moneys in the Economic Infrastructure 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 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 285A.213 may be used, any purpose for which moneys in the Oregon Port Revolving Fund created by ORS 285A.708 may be used, any purpose for which moneys in the Brownfields Redevelopment Fund created by ORS 285A.188 may be used, any purpose for which moneys in the Oregon Business Development Fund created by ORS 285B.092 may be used and any purpose for which moneys in the Marine Navigation Improvement Fund created by ORS 777.267 may be used. The Director of the Oregon Business Development Department shall allocate the moneys deposited in the Economic Infrastructure Project Fund for the purposes described in this subsection in accordance with the priorities developed by the Oregon Business Development Commission in accordance with ORS 285A.020. However, the director shall transfer from the Economic Infrastructure Project Fund and deposit into the Channel Deepening Account of the Marine Navigation Improvement Fund the proceeds of any lottery bonds sold to finance a portion of the costs of the Columbia River channel deepening project. Upon determining the relative allocation of moneys deposited in the Economic 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 described in this subsection, the amounts so allocated. Notwithstanding any other provision of law governing the funds described in this subsection, the funds described in this subsection may be credited with moneys transferred from the Economic Infrastructure Project Fund by the director in accordance with this subsection.

(5) The aggregate principal amount of lottery bonds issued pursuant to subsection (1)(c) of this 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

Treasurer to be necessary to pay bond-related costs. The net proceeds of lottery bonds issued pursuant to subsection (1)(c) of this section shall be deposited in the Oregon Business, Innovation and 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 prior to August 9, 2001. The director may not request the issuance of lottery bonds under subsection (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.

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

SECTION 1a. (1) Net proceeds of lottery bonds issued under ORS 285B.551 in an amount sufficient to provide \$5 million in net proceeds and interest earnings must be transferred to the Oregon Business Development Department for deposit in the Levee Project Subaccount, established under section 1b of this 2015 Act, for the purposes described in that section.

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

SECTION 1b. (1) The Levee Project Subaccount is established in the Special Public Works Fund established under ORS 285B.445. Interest earned by the Levee Project Subaccount shall be credited to the subaccount. Moneys in the subaccount are continuously appropriated to the Oregon Business Development Department for the purpose of providing financial assistance under ORS 285B.410 to 285B.482 for levee projects, as defined in ORS 285B.410.

(2) The department may accept grants, donations, contributions or gifts from any source for deposit in the Levee Project Subaccount.

SECTION 2. (1) For the biennium beginning July 1, 2015, 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 \$12,005,000 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 \$12,005,000 in net proceeds and interest earnings must be transferred to the Oregon Business Development Department for deposit in the Regional Infrastructure Fund established in section 3, chapter 786, Oregon Laws 2013, to provide grants and loans to local governments for infrastructure projects including long-range planning, research and design. The grants and loans are to be allocated by region and based on recommendations of regionally-based 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:

(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.

SECTION 3. Section 3, chapter 786, Oregon Laws 2013, 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 [of this 2013 Act], **chapter 786, Oregon Laws 2013, and section 2 of this 2015 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 [of this 2013 Act], **chapter 786, Oregon Laws 2013, and section 2 of this 2015 Act**.

SECTION 4. (1) The Director of the Oregon Business Development Department, in accordance with ORS chapter 183, shall adopt rules necessary to administer programs or projects financed with moneys obtained pursuant to section 3, chapter 786, Oregon Laws 2013, and section 2 of this 2015 Act. The rules shall address procedures for authorizing infrastructure planning and research efforts, developing and evaluating grant and loan applications, awarding grants and loans from the Regional Infrastructure Fund and administering a grant and loan review committee, and may include other provisions the director determines necessary or convenient for the Oregon Business Development Department to perform its duties and responsibilities under section 3, chapter 786, Oregon Laws 2013, and section 2 of this 2015 Act.

(2) The rules must be developed in consultation with the Director of the Oregon Department of Administrative Services or the director's designee.

SECTION 5. (1) For the biennium beginning July 1, 2015, 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 \$7 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 \$7 million in net proceeds and interest earnings must be transferred to the Oregon Business Development Department for deposit in the Brownfields Redevelopment Fund established in ORS 285A.188 for the purposes described in ORS 285A.185 and 285A.188.

(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) Redevelopment of industrial-zoned brownfields improves the economy by returning the assessed value of the properties to the real market value for property taxation purposes; and

(b) The projects made possible through increased funding to evaluate, cleanup and redevelop brownfields properties create jobs and further economic development.

SECTION 6. (1) For the biennium beginning July 1, 2015, at the request of the Oregon Department of Administrative Services, in consultation with the Department of Transportation, the State Treasurer is authorized to issue lottery bonds pursuant to ORS 286A.560 to 286A.585 in an amount that produces \$45 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 pursuant to this section and interest earnings must be transferred to the Department of Transportation for deposit in the Multimodal Transportation Fund established under ORS 367.080 in an amount sufficient to provide \$45 million for the department to finance grants and loans 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.

(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 economic 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 section 4, Article XV, of the Oregon Constitution, and ORS 461.510.

SECTION 6a. If House Bill 2274 becomes law, section 6 of this 2015 Act is amended to read:

Sec. 6. (1) For the biennium beginning July 1, 2015, at the request of the Oregon Department of Administrative Services, in consultation with the Department of Transportation, the State Treasurer is authorized to issue lottery bonds pursuant to ORS 286A.560 to 286A.585 in an amount that produces \$45 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 pursuant to this section and interest earnings must be transferred to the Department of Transportation for deposit in the [*Multimodal Transportation*] **Connect Oregon** Fund established under ORS 367.080 in an amount sufficient to provide \$45 million for the department to finance grants [*and loans*] 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.

(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 economic 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 section 4, Article XV, of the Oregon Constitution, and ORS 461.510.

SECTION 7. To the extent that proposed transportation projects meet the qualifications established by the Oregon Transportation Commission by rule, the commission shall allocate at least 10 percent of the net proceeds of the lottery bonds authorized by section 6 of this 2015 Act to each region described in this section. For purposes of this section, the regions are as follows:

- (1) Region one consists of Clackamas, Hood River, Multnomah and Washington Counties.
- (2) Region two consists of Benton, Clatsop, Columbia, Lane, Lincoln, Linn, Marion, Polk, Tillamook and Yamhill Counties.
- (3) Region three consists of Coos, Curry, Douglas, Jackson and Josephine Counties.
- (4) Region four consists of Crook, Deschutes, Gilliam, Jefferson, Klamath, Lake, Sherman, Wasco and Wheeler Counties.
- (5) Region five consists of Baker, Grant, Harney, Malheur, Morrow, Umatilla, Union and Wallowa Counties.

SECTION 8. (1) For the biennium beginning July 1, 2015, 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 pursuant to ORS 286A.560 to 286A.585 in an amount that produces \$20 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 \$20 million in net proceeds and interest earnings must be transferred to the Housing and Community Services Department for deposit in the Housing for Mental Health Fund, established in section 9 of this 2015 Act, to provide financial assistance to aid in the development, acquisition, renovation or improvement of affordable housing for Oregonians who have mental illnesses or addiction disorders.

(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 who have mental illnesses or addiction disorders increase their potential for self-sufficiency and use fewer public resources when they have access to safe, affordable rental housing.

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

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

SECTION 9. (1) The Housing for Mental Health Fund is established in the State Treasury, separate and distinct from the General Fund. The Housing for Mental Health Fund consists of moneys deposited in the fund under section 8 of this 2015 Act and may include moneys appropriated, allocated, deposited or transferred to the fund by the Legislative Assembly or otherwise and interest earned on moneys in the fund.

(2) Moneys in the fund are continuously appropriated to the Housing and Community Services Department for disbursement for the purposes set forth in section 8 of this 2015 Act.

SECTION 10. (1) For the biennium beginning July 1, 2015, at the request of the Oregon Department of Administrative Services, after the department consults with the Higher Education Coordinating Commission, the State Treasurer is authorized to issue lottery bonds pursuant to ORS 286A.560 to 286A.585 in an amount that produces \$1.5 million in net pro-

ceeds 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 \$1.5 million in net proceeds and interest earnings must be transferred to the Higher Education Coordinating Commission for deposit in the Linn-Benton Community College Alternative Fuels Fund, established under section 10a of this 2015 Act, to provide grant funding to Linn-Benton Community College for expansion of the Advanced Transportation Technology Center.

(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 energy conservation, renewable energy and general business development projects create jobs and facilitate and encourage economic development.

SECTION 10a. (1) The Linn-Benton Community College Alternative Fuels Fund is established in the State Treasury, separate and distinct from the General Fund. Interest earned on moneys in the Linn-Benton Community College Alternative Fuels Fund shall be credited to the fund. The Linn-Benton Community College Alternative Fuels Fund consists of moneys deposited in the fund under section 10 of this 2015 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 Higher Education Coordinating Commission for purposes described in section 10 of this 2015 Act.

SECTION 11. (1) For the biennium beginning July 1, 2015, 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 \$6,250,000 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 \$6,250,000 in net proceeds and interest earnings must be transferred to the Water Resources Department for deposit in the Water Supply Development Account, established in ORS 541.656, to provide grants or loans to evaluate, plan and develop in-stream and out-of-stream statewide water development 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.

SECTION 12. (1) For the biennium beginning July 1, 2015, 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 \$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 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.

SECTION 13. (1) For the biennium beginning July 1, 2015, 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 \$12,750,000 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 and interest earnings must be transferred to the Water Resources Department for deposit in the Water Resources Department Water Supply Fund, established in section 10, chapter 906, Oregon Laws 2009, in an amount sufficient to provide by grant, loan or otherwise:

(a) \$11 million in net proceeds and interest earnings to develop and implement water storage systems and delivery infrastructure, implement conservation and reuse projects or provide access to new water supplies.

(b) \$750,000 in net proceeds and interest earnings for place-based planning.

(c) \$1 million in net proceeds and interest earnings to repair, replace or remediate water wells in the Mosier Creek area.

(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.

SECTION 14. Section 10, chapter 906, Oregon Laws 2009, as amended by section 5, chapter 624, Oregon Laws 2011, is amended to read:

Sec. 10. (1) The Water Resources Department Water Supply Fund is established separate and distinct from the General Fund. Interest earned on moneys deposited in the Water Resources Department Water Supply Fund shall be credited to the fund. Moneys in the fund are continuously appropriated to the Water Resources Department.

(2) The Water Resources Department Water Supply Fund consists of:

(a) Net proceeds of lottery bonds issued pursuant to sections 8 and 9, chapter 906, Oregon Laws 2009, deposited into the Water Resources Department Water Supply Fund for the following purposes:

(A) \$2,500,000 for the purposes of issuing grants to develop Umatilla Basin critical ground water storage projects described in section 17, chapter 907, Oregon Laws 2009, and to provide or pay for services in connection with those projects.

(B) \$217,000 to pay for the operation of loan and grant programs under sections 18 to 27, chapter 907, Oregon Laws 2009.

(C) \$283,000 for the purpose of developing an integrated state water resources strategy to implement the state water resources policy pursuant to ORS 536.220 and section 45, chapter 907, Oregon Laws 2009.

(D) \$500,000 for purposes of the grant program established by section 1, chapter 13, Oregon Laws 2008.

(b) Net proceeds of lottery bonds issued pursuant to section 4 [of this 2011 Act], **chapter 624, Oregon Laws 2011**, in an amount sufficient to provide \$1,229,052 in net proceeds and interest earnings for the department to finance grants for feasibility studies for water conservation, reuse and storage projects.

(c) \$11 million in net proceeds and interest earnings pursuant to section 13 of this 2015 Act to develop and implement water storage systems and delivery infrastructure, implement conservation and reuse projects or provide access to new water supplies.

(d) \$750,000 in net proceeds and interest earnings pursuant to section 13 of this 2015 Act to provide grants for place-based planning.

(e) \$1 million in net proceeds and interest earnings pursuant to section 13 of this 2015 Act to repair, replace or remediate water wells in the Mosier Creek area.

[c] (f) Any other fees, revenues or income deposited in the fund by the Legislative Assembly.

SECTION 14a. Section 8, chapter 121, Oregon Laws 2014, is amended to read:

Sec. 8. (1) For the biennium beginning July 1, 2013, at the request of the Oregon Department of Administrative Services, [after the department consults with the Beaverton Community Health Collaborative,] the State Treasurer is authorized to issue lottery bonds pursuant to ORS 286A.560 to 286A.585 in an amount that does not exceed \$1 million in net proceeds 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 \$1 million in net proceeds and interest earnings must be transferred to the department for deposit in the ODAS Economic Development Distributions Fund established in ORS 461.553 for distribution to the [Beaverton Community Health Collaborative] **Virginia Garcia Memorial Foundation** for the development of a health and wellness facility to deliver medical, dental[,] and mental [and public] health and wellness services in an interdisciplinary way to low- and moderate-income households and special needs populations in the Beaverton area.

(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 the health and wellness facility creates jobs and facilitates and encourages economic development by promoting the health and well-being of Oregon's labor force.

SECTION 15. (1) For the biennium beginning July 1, 2015, at the request of the Oregon Department of Administrative Services, after the department consults with Concordia University, the State Treasurer is authorized to issue lottery bonds pursuant to ORS 286A.560 to 286A.585 in an amount that produces \$750,000 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 \$750,000 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 Concordia University for the purpose of funding the construction of the Faubion prekindergarten through grade eight school in partnership with Portland Public Schools.

(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) Lottery bonds issued under this section will finance public education by funding construction of a public school.

(b) Early education is a necessary component of a climate that facilitates and encourages economic development.

SECTION 16. (1) For the biennium beginning July 1, 2015, at the request of the Oregon Department of Administrative Services, after the department consults with the Elgin Health District, the State Treasurer is authorized to issue lottery bonds pursuant to ORS 286A.560 to 286A.585 in an amount that produces \$1,250,000 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 \$1,250,000 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 Elgin Health District for the purpose of funding the construction of a rural health care clinic.

(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 access to health care for all members of the workforce will promote economic development.

SECTION 17. (1) For the biennium beginning July 1, 2015, at the request of the Oregon Department of Administrative Services, after the department consults with Open Meadow, 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 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 \$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 Open Meadow for the purpose of funding the construction of a new facility for the Open School in Portland.

(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 educational outcomes for at-risk students will facilitate and encourage economic development.

SECTION 18. (1) For the biennium beginning July 1, 2015, at the request of the Oregon Department of Administrative Services, after the department consults with the Boys and Girls Clubs of Portland Metropolitan Area, 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 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 \$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 Boys and Girls Clubs of Portland Metropolitan Area for the purpose of funding the construction of a new facility for the Boys and Girls Club in the Rockwood community in Gresham.

(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.

SECTION 19. (1) For the biennium beginning July 1, 2015, at the request of the Oregon Department of Administrative Services, after the department consults with the City of Grants Pass, the State Treasurer is authorized to issue lottery bonds pursuant to ORS 286A.560 to 286A.585 in an amount that produces \$500,000 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 \$500,000 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 Grants Pass for the purpose of renovating Riverside Park.

(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) Riverside Park is a hub of community development and tourism.

(b) Renovating Riverside Park will promote tourism and facilitate and encourage economic development.

SECTION 20. (1) For the biennium beginning July 1, 2015, at the request of the Oregon Department of Administrative Services, after the department consults with the Mountain West Career Technical Institute, 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 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 \$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 Mountain West Career Technical Institute for the purpose of funding construction of the Career Technical Education Center 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 improving access to technical education for Oregonians entering the workforce will facilitate and encourage economic development.

SECTION 21. (1) For the biennium beginning July 1, 2015, at the request of the Oregon Department of Administrative Services, after the department consults with Trillium Family Services, 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 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 \$3 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 Trillium Family Services for the purpose of funding improvements to the Children's Farm Home.

(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 and expanding the Children's Farm Home will create jobs in construction and health care.

SECTION 22. (1) For the biennium beginning July 1, 2015, at the request of the Oregon Department of Administrative Services, after the department consults with the City of Tigard, the State Treasurer is authorized to issue lottery bonds pursuant to ORS 286A.560 to 286A.585 in an amount that produces \$1,500,000 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 \$1,500,000 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 Tigard for the purpose of creating or improving public infrastructure in support of the Hunziker Development 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 Hunziker Development Project will maximize usable industrial land.

(b) Investment in public infrastructure can stimulate industrial growth and promote employment opportunities in this state.

SECTION 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.

(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 in Wheeler County will bring telecommuting jobs into the county and will expand future opportunities for economic development in the John Day River basin.

SECTION 24. (1) For the biennium beginning July 1, 2015, at the request of the Oregon Department of Administrative Services, after the department consults with the Port of Umatilla, the State Treasurer is authorized to issue lottery bonds pursuant to ORS 286A.560 to 286A.585 in an amount that produces \$1.5 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.

(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 department for deposit in the ODAS Economic Development Distributions Fund established under ORS 461.553 for distribution to the Port of Umatilla for the purpose of funding the construction of the Eastern Oregon Trade and Event Center in Hermiston.

(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 the Eastern Oregon Trade and Event Center will facilitate and encourage regional economic development by promoting trade and tourism.

SECTION 25. (1) For the biennium beginning July 1, 2015, at the request of the Oregon Department of Administrative Services, after the department consults with the Port of Morrow, the State Treasurer is authorized to issue lottery bonds pursuant to ORS 286A.560 to 286A.585 in an amount that produces \$1.6 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 \$1.6 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 Port of Morrow for the purpose of creating an early childhood learning center at the workforce training center at the Port of Morrow.

(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) More Oregonians will attend workforce training if early education options are available for their children. Greater numbers of Oregonians who are trained in workforce skills will lead to enhanced economic development.

(b) Early education is a necessary component of a climate that facilitates and encourages economic development.

SECTION 26. (1) For the biennium beginning July 1, 2015, 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 \$4.5 million in net proceeds and interest earnings for transfer to the Oregon Business Development Department for deposit in the Cultural Resources Economic Fund, established in section 6, chapter 786, Oregon 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.

(2) The Oregon Business Development Department shall grant:

(a) \$2 million to the Oregon Shakespeare Festival to finance capital projects.

(b) \$1.5 million to the Portland Japanese Garden to expand visitor and educational facilities at the garden.

(c) \$600,000 to Oregon Public Broadcasting to finance renovation of its headquarters and production facility.

(d) \$400,000 to the Aurora Colony Historical Society to finance construction of a storage facility for historical artifacts.

(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.

SECTION 27. Section 6, chapter 786, Oregon Laws 2013, 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 of this 2015

Act [of this 2013 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 for the purposes set forth in section 5, **chapter 786, Oregon Laws 2013, and section 26 of this 2015 Act** [of this 2013 Act].

SECTION 28. (1) For the biennium beginning July 1, 2015, 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 \$1,562,157 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 \$1,562,157 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 of this 2015 Act for distribution to the Port of Brookings Harbor for the purpose of repairing and improving docks owned by the port.

(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) 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 28a. (1) The Brookings Harbor Dock Fund is established in the State Treasury, separate and distinct from the General Fund. Interest earned on moneys in the Brookings Harbor Dock Fund shall be credited to the fund. The Brookings Harbor Dock Fund consists of moneys deposited in the fund under section 28 of this 2015 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 purposes described in section 28 of this 2015 Act.

SECTION 29. (1) For the biennium beginning July 1, 2015, at the request of the Oregon Department of Administrative Services, after the department consults with the Department of Transportation and the Oregon International Port of Coos Bay, the State Treasurer is authorized to issue lottery bonds pursuant to ORS 286A.560 to 286A.585 in an amount that produces \$10 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 \$10 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 section 24, chapter 786, Oregon Laws 2013, for distribution to the Oregon International Port of Coos Bay for the purpose of acquiring, constructing or improving the Coos Bay rail link, as defined in ORS 777.915.

(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 improvements in multimodal transportation systems are necessary to facilitate the flow of goods and services to national and international markets through the deepwater port at Coos Bay.

SECTION 30. (1) For the biennium beginning July 1, 2015, at the request of the Oregon Department of Administrative Services, after the department consults with the State Parks

and Recreation Department, the State Treasurer is authorized to issue lottery bonds pursuant to ORS 286A.560 to 286A.585 in an amount that produces \$7.5 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 and interest earnings in an amount sufficient to provide \$7.5 million must be transferred to the State Parks and Recreation Department for deposit in the Willamette Falls Park Fund established under section 10, chapter 786, Oregon Laws 2013, to provide assistance for land acquisition, improvements, rehabilitation and enhancement of the area in Clackamas County in or around the area including Willamette 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 following findings:

(a) Improving the area around Willamette Falls will enhance the economic viability of the region, create jobs and improve the quality of life for the community.

(b) The project will have a positive impact on the local environment including the watershed in the immediate area.

SECTION 31. Section 10, chapter 786, Oregon Laws 2013, is amended to read:

Sec. 10. (1) The Willamette Falls Park Fund is established in the State Treasury, separate and distinct from the General Fund. Interest earned on moneys in the Willamette Falls Park Fund shall be credited to the fund. The Willamette Falls Park Fund consists of moneys deposited in the fund under section 9, **chapter 786, Oregon Laws 2013, and section 30 of this 2015 Act**, [of this 2013 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 State [Department of] Parks and Recreation Department for purposes described in section 9, **chapter 786, Oregon Laws 2013, and section 30 of this 2015 Act** [of this 2013 Act].

SECTION 32. (1) For the biennium beginning July 1, 2015, at the request of the Oregon Department of Administrative Services, after the department consults with the State Parks and Recreation Department, the State Treasurer is authorized to issue lottery bonds pursuant to ORS 286A.560 to 286A.585 in an amount that produces \$1.5 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 and interest earnings in an amount sufficient to provide \$1.5 million must be transferred to the State Parks and Recreation Department for deposit in the Reconnect Forest Park Fund established under section 33 of this 2015 Act to finance planning and construction of an entrance to Forest Park in Portland.

(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 creating a trailhead at Forest Park would improve access to the park, enhance the economic viability of the region through increased tourism, create jobs and improve the quality of life for the community.

SECTION 33. (1) The Reconnect Forest Park Fund is established in the State Treasury, separate and distinct from the General Fund. Interest earned on moneys in the Reconnect Forest Park Fund shall be credited to the fund. The Reconnect Forest Park Fund consists of moneys deposited in the fund under section 32 of this 2015 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 State Parks and Recreation Department for purposes described in section 32 of this 2015 Act.

SECTION 34. (1) For the biennium beginning July 1, 2015, 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 \$2.5 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 \$2.5 million in net proceeds and interest earnings must be transferred to the department for deposit into the Oregon Main Street Revitalization Grant Program Fund established under section 2, chapter _____, Oregon Laws 2015 (Enrolled House Bill 3526), to provide grants pursuant to section 1, chapter _____, Oregon Laws 2015 (Enrolled House Bill 3526).

(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 34a. If House Bill 3526 does not become law, section 34 of this 2015 Act is repealed.

SECTION 35. (1) For the biennium beginning July 1, 2015, at the request of the Oregon Department of Administrative Services, after the department consults with the Department of Veterans' Affairs, the State Treasurer is authorized to issue lottery bonds pursuant to ORS 286A.560 to 286A.585 in an amount that produces \$10.5 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.

(2) Net proceeds of lottery bonds issued under this section in an amount sufficient to provide \$10.5 million in net proceeds and interest earnings must be transferred to the Department of Veterans' Affairs and deposited in the Roseburg Veterans' Home Construction Fund established in section 19, chapter 624, Oregon Laws 2011, for the purpose of acquiring, developing, constructing and equipping the Roseburg Veterans' Home.

(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 establishment of the Roseburg Veterans' Home will create jobs in construction and health care fields.

SECTION 36. Section 19, chapter 624, Oregon Laws 2011, is amended to read:

Sec. 19. The Roseburg Veterans' Home Construction Fund is established in the State Treasury, separate and distinct from the General Fund. Interest earned on moneys in the Roseburg Veterans' Home Construction Fund shall be credited to the fund. The Roseburg Veterans' Home Construction Fund consists of moneys deposited in the fund under section 18, **chapter 624, Oregon Laws 2011, and section 35 of this 2015 Act**, [of this 2011 Act] and may include fees, revenues or other income deposited into the fund by the Legislative Assembly for payment of costs incurred to acquire, develop, construct and equip the Roseburg Veterans' Home. Moneys in the fund are continuously appropriated to the Department of Veterans' Affairs for the purpose of acquiring, developing, constructing and equipping the Roseburg Veterans' Home.

SECTION 37. Section 4, chapter 906, Oregon Laws 2009, as amended by section 3, chapter 624, Oregon Laws 2011, section 19, chapter 786, Oregon Laws 2013, and section 15, chapter 121, Oregon Laws 2014, is 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.

(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.

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

(3) The aggregate principal amount of lottery bonds issued pursuant to subsection (1) of this section may not exceed the amount of [~~\$28,801,718~~] **\$31,301,718** plus an additional amount estimated by the State Treasurer to be necessary to pay bond-related costs as defined in ORS 286A.560.

SECTION 38. This 2015 Act being necessary for the immediate preservation of the public peace, health and safety, an emergency is declared to exist, and this 2015 Act takes effect July 1, 2015.

Passed by House July 6, 2015

.....
Timothy G. Sekerak, Chief Clerk of House

.....
Tina Kotek, Speaker of House

Passed by Senate July 6, 2015

.....
Peter Courtney, President of Senate

Received by Governor:

.....M.,....., 2015

Approved:

.....M.,....., 2015

.....
Kate Brown, Governor

Filed in Office of Secretary of State:

.....M.,....., 2015

.....
Jeanne P. Atkins, Secretary of State