

**Enrolled**  
**Senate Bill 1597**

Sponsored by JOINT COMMITTEE ON WAYS AND MEANS

CHAPTER .....

AN ACT

Relating to state financial administration; creating new provisions; amending ORS 284.885, 286A.250, 292.406, 292.411, 292.416, 292.426, 348.696, 565.495 and 565.545 and sections 8 and 9, chapter 705, Oregon Laws 2013, section 64, chapter 723, Oregon Laws 2013, section 102, chapter 366, Oregon Laws 2015, and section 10, chapter 685, Oregon Laws 2015; and declaring an emergency.

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

**SECTION 1.** Section 10, chapter 685, Oregon Laws 2015, is amended to read:

**Sec. 10.** Out of the amount specified in section 1 (6) [*of this 2015 Act*], **chapter 685, Oregon Laws 2015**, the State Treasurer may issue Article XI-Q bonds in an amount not to exceed \$27,775,000 of net proceeds for the purposes **and in the manner** specified in section 8 [(3)], chapter 705, Oregon Laws 2013, plus an amount estimated by the State Treasurer to pay estimated bond-related costs.

**SECTION 2.** Section 8, chapter 705, Oregon Laws 2013, as amended by section 6, chapter 121, Oregon Laws 2014, is amended to read:

**Sec. 8.** (1) Out of the amount specified in section 1 (6), chapter 705, Oregon Laws 2013, the State Treasurer may issue Article XI-Q bonds in an amount not to exceed \$19 million of net proceeds for the purposes specified in subsection (3) of this section, plus an amount estimated by the State Treasurer to pay estimated bond-related costs.

(2)(a) Bonds may not be issued pursuant to this section **or section 10, chapter 685, Oregon Laws 2015**, unless:

(A) The Chief Justice of the Supreme Court has determined that:

(i) The courthouse with respect to which the bonds will be issued has significant structural defects, including seismic defects, that present actual or potential threats to human health and safety;

(ii) Replacing the courthouse, whether by acquiring and remodeling or repairing an existing building or by constructing a new building, is more cost-effective than remodeling or repairing the courthouse; and

(iii) Replacing the courthouse creates an opportunity for colocation of the court with other state offices; and

(B) The Oregon Department of Administrative Services has approved the project for which the bonds will be issued.

(b) The Oregon Department of Administrative Services, after consultation with the Judicial Department, shall determine when net proceeds are needed for the purposes described in subsection (3) of this section and shall consult with the Judicial Department regarding the sale of bonds to be issued pursuant to this section.

(3) The State Treasurer shall deposit the net proceeds of bonds issued pursuant to this section **and section 10, chapter 685, Oregon Laws 2015**, in the Oregon Courthouse Capital Construction and Improvement Fund. The net proceeds and any interest earnings may be used solely to finance costs related to acquiring, constructing, remodeling, repairing, equipping or furnishing land, improvements, courthouses or portions of courthouses that are, or that upon completion of a project funded under this section will be, owned or operated by the State of Oregon.

(4) As used in ORS 286A.816 to 286A.826 with respect to this section:

(a) "Project agency" means the Judicial Department.

(b) "Project fund" means the Oregon Courthouse Capital Construction and Improvement Fund.

**SECTION 3.** Section 9, chapter 705, Oregon Laws 2013, as amended by section 7, chapter 121, Oregon Laws 2014, is amended to read:

**Sec. 9.** (1)(a) Notwithstanding ORS 1.185, a county and the state, acting by and through the Oregon Department of Administrative Services on behalf of the Judicial Department, may enter into interim agreements that provide for the funding, acquisition, development and construction of a courthouse and require the parties to negotiate in good faith and execute a long-term lease agreement or a long-term intergovernmental agreement with respect to the ownership or operation of a courthouse or portions of a courthouse that the county is required to provide under ORS 1.185, pursuant to which the state agrees to provide the property and services described in ORS 1.185 (1)(a).

(b)(A) An agreement entered into pursuant to this subsection may include a requirement that the county transfer to the Oregon Courthouse Capital Construction and Improvement Fund an amount not less than 50 percent of the total estimated costs of a project funded with bonds issued pursuant to section 8, chapter 705, Oregon Laws 2013, **or section 10, chapter 685, Oregon Laws 2015**, with respect to the courthouse or portions of a courthouse that are the subject of the agreement.

(B) The amount transferred by a county pursuant to this paragraph may comprise, singly or in any combination and proportion:

(i) Property tax revenues, bond proceeds or any other county moneys; and

(ii) A credit equal to the higher of the appraised value or the actual purchase price of land purchased by the county for the courthouse if the state approves of the land as the site for the courthouse.

(C) The amount required to be transferred by the county under this subsection may not be less than 75 percent of the total estimated costs unless the project includes colocation in the courthouse of state offices in addition to the state circuit court facilities.

(2) For purposes of section 8, chapter 705, Oregon Laws 2013, **and section 10, chapter 685, Oregon Laws 2015**, the state shall be considered to operate a courthouse or portions of a courthouse that are the subject of an agreement entered into pursuant to subsection (1) of this section if, as applicable:

(a) The lease agreement conveys to the state a full leasehold interest, including exclusive rights to control and use the courthouse or portions of the courthouse that are typical of a long-term lease, for a term that is at least equal to the term during which the bonds issued pursuant to section 8, chapter 705, Oregon Laws 2013, **and section 10, chapter 685, Oregon Laws 2015**, will remain outstanding.

(b) The intergovernmental agreement grants the state the exclusive right to control and use the courthouse or portions of the courthouse for a term that is at least equal to the term during which the bonds issued pursuant to section 8, chapter 705, Oregon Laws 2013, **and section 10, chapter 685, Oregon Laws 2015**, will remain outstanding.

**SECTION 4.** Section 64, chapter 723, Oregon Laws 2013, is amended to read:

**Sec. 64.** (1) The Oregon Courthouse Capital Construction and Improvement Fund is established in the State Treasury, separate and distinct from the General Fund. Interest earned on moneys in the Oregon Courthouse Capital Construction and Improvement Fund shall be credited to the fund.

(2) The fund consists of moneys deposited in the fund pursuant to section 8, chapter 705, Oregon Laws 2013, **and section 10, chapter 685, Oregon Laws 2015**, and moneys transferred to the fund by a county pursuant to section 9 (1)(b), chapter 705, Oregon Laws 2013, and may include fees, revenues and other moneys appropriated by the Legislative Assembly for deposit in the fund.

(3) Moneys in the fund are continuously appropriated to the Judicial Department for:

(a) The purposes described in section 8 (3), chapter 705, Oregon Laws 2013;

(b) Payment of the costs incurred by the department to administer the fund; and

(c) Payment of bond-related costs, as defined in ORS 286A.816.

**SECTION 5.** ORS 286A.250 is amended to read:

286A.250. (1) There is established a State Debt Policy Advisory Commission, consisting of five members.

(2) The State Treasurer and the Director of the Oregon Department of Administrative Services shall serve as ex officio members of the commission. One member of the commission must be a member of the Senate appointed by the President of the Senate. One member of the commission must be a member of the House of Representatives appointed by the Speaker of the House. One member of the commission must be a public member, knowledgeable on matters of public finance, appointed by the Governor from among those persons recommended by the State Treasurer.

(3) The term of an appointed member is two years, but an appointed member serves at the pleasure of the appointing authority. Before the expiration of the term of an appointed member, the appointing authority shall appoint a successor. If there is a vacancy for any reason in the office of an appointed member, the appointing authority shall make an appointment to become immediately effective for the unexpired term.

(4) A member of the commission is entitled to compensation and expenses as provided in ORS 292.495.

(5) The State Treasurer shall serve as chairperson of the commission, with the duties and powers necessary for the performance of that office that the commission determines appropriate.

(6) A majority of the members of the commission constitutes a quorum for the transaction of business.

(7) The commission shall meet at least once every year at a place and time determined by the commission. The commission also shall meet at other times and places specified by the call of the chairperson or of a majority of the members of the commission.

(8) The office of the State Treasurer shall provide the commission with office space and clerical and other administrative support.

**(9) When preparing documents or reports or other materials for or by the State Debt Policy Advisory Commission, and prior to the release of the documents, reports or other materials to the public, the State Treasurer shall consult and share the documents, reports or other materials with the Oregon Department of Administrative Services and the Legislative Fiscal Office.**

**SECTION 6.** ORS 565.495 is amended to read:

565.495. (1) The State Fair Council may not acquire or dispose of any real property or facilities without prior approval by the Oregon Department of Administrative Services. Legal title to fairground properties and facilities must remain with, or be established in, the name of the State of Oregon. The department and the council shall enter into an agreement for the council to exercise exclusive care, custody and control over fairground properties and facilities. The agreement shall provide for the council to make periodic payments to the State of Oregon for the leasing of the fairground properties and facilities. The agreement may not establish a fixed term in excess of 10 years, but may provide for renewal. Notwithstanding any fixed term for the agreement, the Legislative Assembly may terminate the agreement by law if the conducting of the Oregon State Fair, the carrying out of fairground business operations and the operation of fairground properties and facilities by the council results in a net loss in three of any five consecutive years. If the Legislative Assembly terminates the agreement, the department may dispose of any fairground properties and facilities for which the department determines disposal to be reasonable. The department and the

council may modify the agreement terms and conditions by mutual consent to the extent consistent with this chapter.

(2) If any state agency has incurred an obligation for the purpose of paying for the construction, repair or remodeling of fairground properties or facilities, and the obligation remains outstanding at the time the agreement described in subsection (1) of this section is negotiated, the agreement shall provide for all or part of the periodic payments by the council to be credited to an appropriate account established in the State Treasury pursuant to ORS 291.001 (3) to compensate the obligated agency for the amounts coming due under the obligation. The agreement shall give priority to the full compensation of an obligated agency for any amounts coming due on revenue bonds payable from the revenues of fairground business operations or from the operation of fairground properties and facilities, including but not limited to revenue bonds issued under ORS 565.095 as set forth in the 2011 Edition of Oregon Revised Statutes.

(3) If any fairground properties or facilities are sold, the Oregon Department of Administrative Services shall ensure that any net proceeds of the sale are applied as provided in this subsection. Net sale proceeds shall be applied according to the following priorities:

(a) First, for the repair and maintenance of other fairground properties or facilities.

(b) Second, for the payment of any bonds secured by the property or facility sold.

(c) Third, for the payment of any bonds payable out of Oregon State Fair revenues or other fairground revenues.

(d) Fourth, for the acquisition of new fairground properties or facilities or other new properties and facilities for the conducting of the Oregon State Fair or for deposit to fairground property and facility acquisition accounts described in ORS 565.545 (1).

(4) The agreement described in subsection (1) of this section shall provide for appropriate apportionment between the council and the Oregon Department of Administrative Services of any insurance proceeds paid in compensation for loss involving fairground properties or facilities.

(5) Notwithstanding subsection (1) of this section, the Oregon Department of Administrative Services may seek an appropriation from the Legislative Assembly or the Emergency Board for moneys to support the conducting of the Oregon State Fair, the carrying out of fairground business operations, the operation of fairground properties and facilities or the repair, maintenance or insurance of fairground properties and facilities, if the council and the department agree that the existing and projected financial resources of the council are inadequate to conduct the Oregon State Fair, to carry out fairground business operations, to operate fairground properties and facilities, to make necessary repairs to fairground properties and facilities or to adequately maintain and insure fairground properties and facilities. Any appropriation to the department shall be expended and accounted for by the department as provided by law. *[Any expenditures made from an appropriation described in this subsection shall be an obligation owing from the council to the department.]*

**SECTION 7.** ORS 565.545 is amended to read:

565.545. (1) If the conducting of the Oregon State Fair, the carrying out of fairground business operations and the operation, maintenance or repair of fairground properties and facilities by the State Fair Council results in a net profit for the fiscal year, the council shall use any moneys in excess of scheduled expenditures and reasonable reserves only for[:]

*[(a)]* deposit into depository or investment accounts designated for fairground business operations or for the repair, maintenance, acquisition or operation of fairground property or facilities.[:  
*or]*

*[(b) Payment of obligations owed the Oregon Department of Administrative Services under ORS 565.495 (5).]*

(2) The council shall include information regarding the fiscal year net profit or loss from the conducting of the Oregon State Fair, the carrying out of fairground business operations and the operation of fairground properties and facilities in the annual report made under ORS 565.555. The report shall include the amounts for each use made of any net profit moneys.

(3) If the total balance of depository or investment accounts described in subsection (1)*[(a)]* of this section exceeds \$50 million, the council shall notify the Oregon Department of Administrative

Services. Upon receiving notice from the council under this subsection, the department shall cause an appraisal to be made of the sale and long-term lease values of fairground properties and facilities. The department shall also determine the payment schedule and outstanding amount of any obligations that have been incurred by state agencies for the purpose of paying for the construction, repair or remodeling of fairground properties and facilities, including but not limited to any amounts owing in payment of revenue bonds or lottery bonds issued for the construction, repair or remodeling of fairground properties and facilities. The department shall provide the appraisal and obligation information to the council. The council shall include information regarding the balance of the depository and investment accounts described in subsection (1)(a) of this section and the properties and facilities appraisal obligation information provided by the department in the annual report submitted by the council under ORS 565.555.

**SECTION 8. The amendments to ORS 565.495 and 565.545 by sections 6 and 7 of this 2016 Act apply to expenditures made from moneys appropriated prior to, on or after the effective date of this 2016 Act.**

**SECTION 9. (1) The Judicial Department shall identify moneys in the possession of the department as of the effective date of this 2016 Act that were received by the department prior to July 1, 2013, from fees for the use of the Oregon Judicial Information Network and for the use of other state court electronic applications and systems.**

**(2) On June 30, 2016, the department shall transfer the moneys described in subsection (1) of this section to the State Court Technology Fund established in ORS 1.012.**

**SECTION 10.** Section 102, chapter 366, Oregon Laws 2015, is amended to read:

**Sec. 102.** (1) The unexpended balances authorized to be expended by the Department of Community Colleges and Workforce Development for a one-year period beginning July 1, 2015, from revenues dedicated, continuously appropriated, appropriated or otherwise made available for the purpose of administering and enforcing the duties, functions and powers transferred from the Department of Community Colleges and Workforce Development to the Higher Education Coordinating Commission by the amendments to statutes by sections 1 to 99, **chapter 366, Oregon Laws 2015**, [of this 2015 Act] by acquiring, constructing, improving, repairing, equipping and furnishing buildings, structures, land and other projects at community colleges pursuant to section 7 (1) and (7), chapter 904, Oregon Laws 2009, and section 4 (3), chapter 808, Oregon Laws 2015, are transferred to and are available for expenditure by the Higher Education Coordinating Commission for the one-year period specified for the purpose of administering and enforcing the duties, functions and powers transferred by the amendments to statutes by sections 1 to 99, **chapter 366, Oregon Laws 2015** [of this 2015 Act].

(2) The unexpended balances authorized to be expended by the Department of Community Colleges and Workforce Development for a two-year period beginning July 1, 2015, from revenues dedicated, continuously appropriated, appropriated or otherwise made available for the purpose of administering and enforcing the duties, functions and powers transferred from the Department of Community Colleges and Workforce Development to the Higher Education Coordinating Commission by the amendments to statutes by sections 1 to 99, **chapter 366, Oregon Laws 2015**, [of this 2015 Act] for community college districts for capital construction, deferred maintenance capital renewal, code compliance and safety projects pursuant to section 2, chapter 78, Oregon Laws 2012, and section 11 (1), (3), (4) to (6), (8), (10), (11), (13), (14) and (17), chapter 79, Oregon Laws 2012, are transferred to and are available for expenditure by the Higher Education Coordinating Commission for the two-year period specified for the purpose of administering and enforcing the duties, functions and powers transferred by the amendments to statutes by sections 1 to 99, **chapter 366, Oregon Laws 2015** [of this 2015 Act].

(3) The unexpended balances authorized to be expended by the Department of Community Colleges and Workforce Development for a period ending July 1, 2015, from revenues dedicated, continuously appropriated, appropriated or otherwise made available for the purpose of administering and enforcing the duties, functions and powers transferred from the Department of Community Colleges and Workforce Development to the Higher Education Coordinating Commission by the

amendments to statutes by sections 1 to 99, **chapter 366, Oregon Laws 2015**, [of this 2015 Act] by acquiring, constructing, improving, repairing, equipping and furnishing buildings, structures, land and other projects at community colleges pursuant to section 7 (3) and (9), chapter 904, Oregon Laws 2009, are transferred to and are available for expenditure by the Higher Education Coordinating Commission for the six-year period specified for the purpose of administering and enforcing the duties, functions and powers transferred by the amendments to statutes by sections 1 to 99, **chapter 366, Oregon Laws 2015** [of this 2015 Act].

(4) The unexpended balances authorized to be expended by the Department of Community Colleges and Workforce Development for a four-year period beginning July 1, 2015, from revenues dedicated, continuously appropriated, appropriated or otherwise made available for the purpose of administering and enforcing the duties, functions and powers transferred from the Department of Community Colleges and Workforce Development to the Higher Education Coordinating Commission by the amendments to statutes by sections 1 to 99, **chapter 366, Oregon Laws 2015**, [of this 2015 Act] by acquiring, constructing, improving, repairing, equipping and furnishing buildings, structures, land and other projects at community colleges pursuant to section 6 (2) to (5), (8), (9), (11) and (14), chapter 727, Oregon Laws 2013, and sections 3 (1) and 4, chapter 120, Oregon Laws 2014, are transferred to and are available for expenditure by the Higher Education Coordinating Commission for the four-year period specified for the purpose of administering and enforcing the duties, functions and powers transferred by the amendments to statutes by sections 1 to 99, **chapter 366, Oregon Laws 2015** [of this 2015 Act].

**SECTION 11.** ORS 292.406 is amended to read:

292.406. (1)(a) The annual salary of the Chief Judge of the Court of Appeals shall be \$135,688 for the year beginning January 1, 2015, and for each year thereafter.

**(b) On January 1, 2017, the annual salary of the Chief Judge of the Court of Appeals, as adjusted under ORS 292.428, shall be increased by \$5,000.**

(2)(a) The annual salary of each other judge of the Court of Appeals shall be \$132,820 for the year beginning January 1, 2015, and for each year thereafter.

**(b) On January 1, 2017, the annual salary of each other judge of the Court of Appeals, as adjusted under ORS 292.428, shall be increased by \$5,000.**

**SECTION 12.** ORS 292.411 is amended to read:

292.411. (1)(a) The annual salary of the Chief Justice of the Supreme Court shall be \$138,556 for the year beginning January 1, 2015, and for each year thereafter.

**(b) On January 1, 2017, the annual salary of the Chief Justice of the Supreme Court, as adjusted under ORS 292.428, shall be increased by \$5,000.**

(2)(a) The annual salary of each other judge of the Supreme Court shall be \$135,688 for the year beginning January 1, 2015, and for each year thereafter.

**(b) On January 1, 2017, the annual salary of each other judge of the Supreme Court, as adjusted under ORS 292.428, shall be increased by \$5,000.**

**SECTION 13.** ORS 292.416 is amended to read:

292.416. (1) The annual salary of each judge of a circuit court shall be \$124,468 for the year beginning January 1, 2015, and for each year thereafter.

**(2) On January 1, 2017, the annual salary of each judge of a circuit court, as adjusted under ORS 292.428, shall be increased by \$5,000.**

**SECTION 14.** ORS 292.426 is amended to read:

292.426. (1) The annual salary of the judge of the Oregon Tax Court shall be \$128,164 for the year beginning January 1, 2015, and for each year thereafter.

**(2) On January 1, 2017, the annual salary of the judge of the Oregon Tax Court, as adjusted under ORS 292.428, shall be increased by \$5,000.**

**SECTION 15.** (1) **The Oregon Capitol History Gateway Fund is established in the State Treasury, separate and distinct from the General Fund. Interest earned by the Oregon Capitol History Gateway Fund shall be credited to the fund. Moneys in the fund are continuously**

appropriated to the Legislative Administration Committee for payment of expenses of establishing or operating the Oregon Capitol History Gateway.

(2) The Legislative Administration Committee may solicit and accept gifts, grants and donations from the Oregon State Capitol Foundation and other public and private sources for the purposes of establishing or operating the Oregon Capitol History Gateway. Moneys received by the committee under this subsection must be deposited into the Oregon Capitol History Gateway Fund.

**SECTION 16.** (1) The Oregon State Capitol Foundation Operating Fund is established in the State Treasury, separate and distinct from the General Fund. Interest earned by the Oregon State Capitol Foundation Operating Fund shall be credited to the fund. Moneys in the fund are continuously appropriated to the Legislative Administration Committee for payment of operating expenses of the Oregon State Capitol Foundation.

(2) The Legislative Administration Committee may solicit and accept gifts, grants and donations from the Oregon State Capitol Foundation and other public and private sources for the purposes of payment of operating expenses of the Oregon State Capitol Foundation. Moneys received by the committee under this subsection must be deposited into the Oregon State Capitol Foundation Operating Fund.

**SECTION 17.** (1) Notwithstanding ORS 221.770, 471.805 and 471.810, and in addition to any transfers or expenditures otherwise required or authorized by law from the Oregon Liquor Control Commission Account, the amount of \$3,974,842 is transferred from the Oregon Liquor Control Commission Account to the Public Health Account established by ORS 431.210. The transfer shall be made on April 27, 2016. The transfer made under this subsection shall be made from moneys in the Oregon Liquor Control Commission Account on the effective date of this 2016 Act before any distributions required by ORS 471.810 are made.

(2) The Oregon Health Authority shall expend the moneys transferred under subsection (1) of this section to pay the expenses of establishing an evidence-based pilot project for the purpose of increasing awareness among youth of the impact of using marijuana and marijuana-derived products, as required by section 71, chapter \_\_\_\_\_, Oregon Laws 2016 (Enrolled House Bill 4014).

(3) Notwithstanding section 44, chapter 1, Oregon Laws 2015, not later than September 30, 2017, the Department of Revenue shall transfer from the Oregon Marijuana Account established by section 44, chapter 1, Oregon Laws 2015, to the Oregon Liquor Control Commission for deposit in the Oregon Liquor Control Commission Account an amount equal to the total amount transferred under subsection (1) of this section plus two percent of the total amount transferred. The department shall make the transfer required by this subsection before making any other withholding, distribution or expenditure from the Oregon Marijuana Account for purposes described in section 44, chapter 1, Oregon Laws 2015.

**SECTION 18.** ORS 348.696 is amended to read:

348.696. (1) Pursuant to [section 4 (4)(d),] Article XV, **section 4 (4)(d)**, of the Oregon Constitution, the Education Stability Fund is established separate and distinct from the General Fund. Moneys in the Education Stability Fund shall be invested as provided in ORS 293.701 to 293.790. Except as provided in subsection (2) of this section, all declared earnings on moneys in the fund, **including declared earnings on moneys in the Oregon Growth Account**, shall be transferred and are appropriated continuously as follows:

(a) 75 percent to the Oregon Education Fund established by ORS 348.716; and

(b) 25 percent to the Higher Education Coordinating Commission for the Oregon Opportunity Grant program under ORS 348.260.

(2) If the Director of the Oregon Department of Administrative Services determines for any biennium that the amount to be transferred and appropriated continuously to the Oregon Education Fund under subsection (1)(a) of this section exceeds the amount needed to pay for public education and education lottery bond debt service in that biennium, the amount of the excess for that biennium

shall be transferred and is appropriated continuously to the Higher Education Coordinating Commission for the Oregon Opportunity Grant program under ORS 348.260.

**SECTION 19.** ORS 284.885 is amended to read:

284.885. The Oregon Growth Board has the following duties, functions and powers:

(1) To maintain, invest and reinvest moneys in the Oregon Growth Fund established under ORS 284.890 consistent with the policies and procedures established by the board and the investment standard stated in ORS 293.726, including but not limited to the creation and maintenance of one or more investment funds within the Oregon Growth Fund. In exercising its authority under this subsection, the board may include economic factors, including but not limited to job retention and creation, as considerations in making investment decisions.

(2) To maintain, invest and reinvest moneys in the Oregon Growth Account established under ORS 348.702 consistent with the policies and procedures established by the board and the investment standard stated in ORS 293.726 and for the purpose of earning returns for the Education Stability Fund. Policies established by the board under this subsection shall include, but are not limited to, the determination of when and how earnings are calculated and declared available from the account [on behalf of the Education Stability Fund] **for transfer as provided in ORS 348.696 (1).**

(3) To make and enter into contracts, agreements or arrangements for the investment and management of moneys in the Oregon Growth Account and the Oregon Growth Fund as provided in ORS 284.887 and for other services the board deems reasonable and necessary to fulfill the duties of the board under this section.

(4)(a) With respect to the Oregon Growth Account, to make, purchase, guarantee or hold loans, including but not limited to participation interests in loans, made to or from the Oregon Growth Account for the purpose of earning returns for the Education Stability Fund.

(b) With respect to the Oregon Growth Fund, to make, purchase, guarantee or hold grants and loans, including but not limited to competitive grants and participation interests in loans, made to or from the Oregon Growth Fund for the benefit of qualified businesses for the purpose of furthering economic development.

(5) To qualify or certify businesses that invest in the Oregon Growth Account or the Oregon Growth Fund for any investment incentive approved by the board.

(6) To collaborate, cooperate and enter into agreements with local governments, state agencies, financial institutions and other entities as appropriate to:

(a) Provide financial services and support to businesses for the purpose of furthering economic development;

(b) Coordinate actions, responsibilities and resources that further economic development; and

(c) Delegate between the board and a local government or state agency any duties, functions or powers that the board, local government or state agency is authorized to perform if consistent with and necessary to the administration of ORS 284.881 to 284.890. Delegation of duties, functions or powers under this paragraph must be done pursuant to written agreement.

(7) To seek, solicit, obtain and accept local, state, federal and private resources and donations for deposit into the Oregon Growth Account and the Oregon Growth Fund to aid in the administration of ORS 284.881 to 284.890.

(8) To adopt rules that:

(a) Specify the board's permissible investments and the activities and services that the board may provide or engage in;

(b) Create guidelines regarding the amount and type of leverage to maximize investments and any other resources available to, and subject to the authority of, the board;

(c) Provide a means to evaluate the performance of investments, including, but not limited to, the number of businesses assisted, the types and amount of resources leveraged and returns on investment, and to evaluate impact on jobs and wages in this state; and

(d) Establish other requirements that the board considers necessary for the exercise of the board's duties, functions and powers under ORS 284.881 to 284.890.

(9) To make recommendations to the Legislative Assembly regarding:

- (a) Appropriations of General Fund moneys to the Oregon Growth Fund;
- (b) The terms of income and corporate excise tax subtractions or other tax expenditures, as defined in ORS 291.201, that will promote and create private investment in the Oregon Growth Fund;
- (c) Incentives for private sector investment that further investment, capital availability, job creation and economic development;
- (d) The use of moneys in the Oregon Growth Account to earn returns for the Education Stability Fund; and
- (e) Legislation needed to further economic development.

(10) To report annually to standing and interim committees of the Legislative Assembly related to business and economic development regarding implementation and administration of the Oregon Growth Board and investments made by the board pursuant to this section.

**SECTION 20. This 2016 Act being necessary for the immediate preservation of the public peace, health and safety, an emergency is declared to exist, and this 2016 Act takes effect on its passage.**

**Passed by Senate March 2, 2016**

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Lori L. Brocker, Secretary of Senate

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Peter Courtney, President of Senate

**Passed by House March 3, 2016**

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Tina Kotek, Speaker of House

**Received by Governor:**

.....M,....., 2016

**Approved:**

.....M,....., 2016

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Kate Brown, Governor

**Filed in Office of Secretary of State:**

.....M,....., 2016

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Jeanne P. Atkins, Secretary of State