

House Bill 2909

Sponsored by Representative EVANS (Pre-session filed.)

SUMMARY

The following summary is not prepared by the sponsors of the measure and is not a part of the body thereof subject to consideration by the Legislative Assembly. It is an editor's brief statement of the essential features of the measure **as introduced**. The statement includes a measure digest written in compliance with applicable readability standards.

Digest: The Act creates the OPUHSC as part of the ODEM. (Flesch Readability Score: 95.1).

Establishes the Oregon Public Utility Homeland Security Commission within the Oregon Department of Emergency Management.

Establishes the Oregon Public Utility Homeland Security Fund.

Establishes a grant program for the purpose of providing financial assistance to consumer-owned utilities for developing projects associated with natural disaster mitigation, prevention, response and recovery.

Authorizes the issuance of lottery bonds to finance projects associated with natural disaster mitigation, prevention, response and recovery.

A BILL FOR AN ACT

1
2 Relating to public utilities.

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

4 **SECTION 1. As used in sections 3 and 5 of this 2025 Act, "consumer-owned utility" means**
5 **a people's utility district organized under ORS chapter 261, a municipal utility organized**
6 **under ORS chapter 225 or an electric cooperative organized under ORS chapter 62.**

7 **SECTION 2. (1) There is established within the Oregon Department of Emergency Man-**
8 **agement the Oregon Public Utility Homeland Security Commission.**

9 **(2) The commission shall consist of five members appointed by the Governor.**

10 **(3) The commission shall carry out the duties and functions described in section 3 of this**
11 **2025 Act.**

12 **(4) A majority of the members of the commission constitutes a quorum for the trans-**
13 **action of business.**

14 **(5) Official action by the commission requires the approval of a majority of the members**
15 **of the commission.**

16 **(6) The commission shall elect one of its members to serve as chairperson.**

17 **(7) If there is a vacancy for any cause, the appointing authority shall make an appoint-**
18 **ment to become immediately effective.**

19 **(8) The commission shall meet at times and places specified by the call of the chairperson**
20 **or a majority of the members of the commission.**

21 **(9) The commission may adopt rules necessary for the operation of the commission.**

22 **SECTION 3. (1) The Oregon Department of Emergency Management shall make grants**
23 **from the Oregon Public Utility Homeland Security Fund established under section 4 of this**
24 **2025 Act to consumer-owned utilities for the purposes of implementing projects related to**
25 **natural disaster mitigation, prevention, response and recovery strategies, such as:**

26 **(a) The evaluation of facilities owned by consumer-owned utilities to determine whether**
27 **the facilities meet state safety standards;**

NOTE: Matter in **boldfaced** type in an amended section is new; matter *[italic and bracketed]* is existing law to be omitted. New sections are in **boldfaced** type.

1 (b) The assessment of facilities owned by consumer-owned utilities to determine capabil-
2 ities and vulnerabilities;

3 (c) The review of facility construction standards related to service reliability that are
4 used by consumer-owned utilities;

5 (d) The establishment of resiliency measures;

6 (e) The development of a prioritization schedule for restoring power to certain critical
7 infrastructure, such as hospitals, after a power outage; and

8 (f) The review of operations, planning and infrastructure protection processes.

9 (2) To receive a grant under this section, a consumer-owned utility shall submit to the
10 Oregon Public Utility Homeland Security Commission a proposal for a project described in
11 subsection (1) of this section. The proposal must include a description of the proposed
12 project, an explanation of the need for the project, the estimated cost of the project and the
13 estimated amount of grant moneys that the consumer-owned utility needs to complete the
14 project.

15 (3) The commission shall prescribe the form and manner of making a proposal under this
16 section.

17 (4) Upon receiving a proposal under this section, the commission shall evaluate the pro-
18 posal to determine whether to recommend to the Oregon Department of Emergency Man-
19 agement the awarding of a grant to the consumer-owned utility that submitted the proposal.
20 In evaluating a proposal, the commission shall consider:

21 (a) The need for the proposed project;

22 (b) The degree to which the project will enhance natural disaster mitigation, prevention,
23 response and recovery;

24 (c) The feasibility of a consumer-owned utility completing the project; and

25 (d) The feasibility of a consumer-owned utility completing the project at the estimated
26 cost.

27 **SECTION 4.** (1) The Oregon Department of Emergency Management shall establish the
28 Oregon Public Utility Homeland Security Fund. The fund is separate and distinct from the
29 General Fund.

30 (2) The Oregon Public Utility Homeland Security Fund shall consist of moneys appropri-
31 ated by the Legislative Assembly to the department for the purposes described in section 3
32 of this 2025 Act.

33 (3) Moneys in the fund are continuously appropriated to the department for the purposes
34 of:

35 (a) Making grants as described in section 3 of this 2025 Act; and

36 (b) Paying the administrative costs incurred under sections 2 and 3 of this 2025 Act.

37 **SECTION 5.** (1) In addition to and not in lieu of the budget authorization to issue lottery
38 bonds under ORS 286A.035, for the biennium beginning July 1, 2025, at the request of the
39 Oregon Department of Administrative Services, after the department consults with the
40 Oregon Department of Emergency Management, the State Treasurer is authorized to issue
41 lottery bonds pursuant to ORS 286A.560 to 286A.585 in an amount that produces \$_____ in
42 net proceeds and interest earnings for the purposes described in section 3 of this 2025 Act,
43 plus an additional amount estimated by the State Treasurer to be necessary to pay bond-
44 related costs.

45 (2) Net proceeds of lottery bonds issued under this section and interest earnings in an

1 amount sufficient to provide \$_____ must be transferred to the Oregon Department of
2 Administrative Services to provide a grant to the Oregon Department of Emergency Man-
3 agement. The department shall use the grant to fund projects as described in section 3 of
4 this 2025 Act.

5 (3) The Legislative Assembly finds that the use of lottery bond proceeds pursuant to this
6 section for the purposes of projects related to natural disaster mitigation, prevention, re-
7 sponse and recovery strategies for consumer-owned utilities creates jobs and furthers eco-
8 nomic development.

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