

A-Engrossed
House Bill 4156

Ordered by the House March 1
Including House Amendments dated March 1

Sponsored by JOINT COMMITTEE ON WAYS AND MEANS

SUMMARY

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

[Transfers Oregon Pre-Disaster Mitigation Fund to Oregon Department of Emergency Management.]

Provides that Broadband Fund may include moneys appropriated or transferred to fund. Establishes procedure for repayment by State Forestry Department of amounts provided to department for immediate cash flow purposes.

Modifies authorized recipients of loans or grants from Oregon Local Disaster Assistance Loan and Grant Account.

Modifies reporting requirements relating to Eastern Oregon Border Economic Development Board.

Declares emergency, effective on passage.

A BILL FOR AN ACT

1
2 Relating to state financial administration; creating new provisions; amending ORS 284.793 and
3 401.536 and section 4, chapter 17, Oregon Laws 2020 (first special session); and declaring an
4 emergency.

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

BROADBAND FUND

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9 **SECTION 1.** Section 4, chapter 17, Oregon Laws 2020 (first special session), is amended to read:

10 **Sec. 4.** The Broadband Fund is established, separate and distinct from the General Fund. In-
11 terest earned by the Broadband Fund shall be credited to the fund. Moneys in the Broadband Fund
12 are continuously appropriated to the Oregon Business Development Department to be used only for
13 providing grants or loans through, or for administering, the Oregon Broadband Office and the pro-
14 gram established by rule under section 5 *[of this 2020 special session Act]*, **chapter 17, Oregon Laws**
15 **2020 (first special session)**. The fund shall consist of moneys deposited in the fund pursuant to ORS
16 759.425 **and moneys appropriated or transferred to the fund by the Legislative Assembly.**

STATE FORESTRY DEPARTMENT

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20 **SECTION 2.** Sections 3 and 4 of this 2022 Act are added to and made a part of ORS
21 **chapter 526.**

22 **SECTION 3.** (1) **The State Forestry Department Cash Flow Repayment Fund is estab-**
23 **lished in the State Treasury, separate and distinct from the General Fund. The State**

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 **Forestry Department Cash Flow Repayment Fund consists of moneys deposited in the fund**
2 **by the State Forestry Department pursuant to subsection (2) of this section. Moneys in the**
3 **fund are continuously appropriated to the department for the purposes set forth in sub-**
4 **section (3) of this section.**

5 **(2)(a) When the State Forestry Department determines that moneys are available to the**
6 **department in an amount greater than necessary to satisfy the current cash flow needs of**
7 **the department, the department shall deposit excess amounts in the State Forestry Depart-**
8 **ment Cash Flow Repayment Fund, except as provided in paragraph (b) of this subsection.**

9 **(b) The department is not required to deposit moneys in the fund if the balance of the**
10 **fund is equal to or greater than the outstanding balance of moneys appropriated, allocated**
11 **or otherwise made available to the department specifically for cash flow purposes.**

12 **(c) The moneys deposited in the fund under this subsection shall not be considered as a**
13 **budget item on which a limitation is otherwise fixed by law, but shall be in addition to any**
14 **specific biennial appropriations or amounts authorized to be expended from continuously**
15 **appropriated moneys for any biennial period.**

16 **(3) On July 1 of each odd-numbered year, the department shall cause the balance of the**
17 **fund to be transferred to the General Fund for general governmental purposes.**

18 **SECTION 4. On or before March 31 of each odd-numbered year, the State Forestry De-**
19 **partment shall report to the standing or interim Joint Committee on Ways and Means on the**
20 **following matters:**

21 **(1) The amounts appropriated, allocated or otherwise made available to the department**
22 **specifically for cash flow purposes, both within the current biennium and cumulatively;**

23 **(2) The amounts deposited in the State Forestry Department Cash Flow Repayment Fund**
24 **pursuant to section 3 (2) of this 2022 Act, both within the current biennium and cumulatively;**

25 **(3) The current balance of the fund; and**

26 **(4) The amount currently in use by the department for cash flow purposes.**

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28 **OREGON LOCAL DISASTER ASSISTANCE**
29 **LOAN AND GRANT ACCOUNT**

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31 **SECTION 5. ORS 401.536 is amended to read:**

32 **401.536. (1) The Oregon Local Disaster Assistance Loan and Grant Account is established as an**
33 **account in the Oregon Disaster Response Fund. The account consists of moneys appropriated by the**
34 **Legislative Assembly and any other moneys deposited into the account pursuant to law.**

35 **(2) Moneys in the account are continuously appropriated to the Oregon Department of Emer-**
36 **gency Management for:**

37 **(a) Providing loans to [local governments, as defined in ORS 174.116, and school districts] **quali-****
38 **fied recipients** to match, either in full or in part, moneys from federal programs for federally de-
39 **clared disaster relief that require a match;**

40 **(b) Providing loans and grants to [local governments, as defined in ORS 174.116, and school dis-**
41 **tricts] **qualified recipients**, for the purpose of paying costs incurred by [local governments and school**
42 **districts] **qualified recipients** in response to federally declared disasters;**

43 **(c) Providing loans and grants to [local governments, as defined in ORS 174.116, and school dis-**
44 **tricts] **qualified recipients** for the purposes of paying costs incurred by [local governments and**
45 **school districts] **qualified recipients** in response to disasters that are not federally declared disas-**

1 ters, as determined by the Legislative Assembly, if all loans and grants provided under paragraphs
2 (a) and (b) of this subsection have been repaid, fulfilled or otherwise satisfied and moneys remain
3 in the account; and

4 (d) Subject to subsection (5) of this section, paying the department's expenses for administering
5 loans made from the account under paragraph (a) of this subsection.

6 (3) Loans made under subsection (2)(b) or (c) of this section shall be repaid pursuant to such
7 terms and conditions as may be established by the Oregon Department of Administrative Services.
8 Loans made under subsection (2)(b) or (c) of this section may be interest free, or bear interest at a
9 rate established by the Oregon Department of Administrative Services. Amounts repaid on loans
10 made under subsection (2)(b) or (c) of this section shall be deposited in the General Fund.

11 (4) The Oregon Department of Emergency Management shall deposit into the account any
12 amounts repaid on loans made under subsection (2)(a) of this section.

13 (5) The department may not charge the account more than five percent of the maximum amount
14 in the account during a biennium for administrative expenses attributable to a loan made under
15 subsection (2)(a) of this section.

16 (6) An applicant may apply to the department for a loan under subsection (2)(a) of this section.
17 The department shall consider the application, make a recommendation and submit the application
18 and recommendation to the Local Disaster Assistance Review Board established under subsection
19 (7) of this section.

20 (7) The department shall establish a Local Disaster Assistance Review Board to:

21 (a) Review the recommendations of the department regarding loans under subsection (2)(a) of
22 this section;

23 (b) Approve, by a majority vote of members, the amount of any loan under subsection (2)(a) of
24 this section; and

25 (c) Approve, by a majority vote of members, the terms and conditions of any loan under sub-
26 section (2)(a) of this section.

27 (8) The review board shall include:

28 (a) Three members of county governing bodies, with at least one member representing a county
29 from east of the crest of the Cascade Mountains, with membership determined by the Association
30 of Oregon Counties;

31 (b) Three members of city governing bodies, with at least one member representing a city from
32 east of the crest of the Cascade Mountains, with membership determined by the League of Oregon
33 Cities;

34 (c) A representative of the office of the State Treasurer;

35 (d) A representative of the department;

36 (e) A representative of school districts, with membership determined by the Oregon School
37 Boards Association;

38 (f) A representative of special districts, with membership determined by the Special Districts
39 Association of Oregon;

40 (g) A representative of the Oregon Department of Administrative Services; and

41 (h) Two additional members determined jointly by the department, the Association of Oregon
42 Counties and the League of Oregon Cities.

43 (9) The Oregon Department of Emergency Management shall adopt rules establishing:

44 (a) A loan application process and application forms for loans under subsection (2)(a) of this
45 section;

1 (b) Reasonable financial terms and conditions for loans under subsection (2)(a) of this section,
2 including interest and the repayment of the loans;

3 (c) Eligibility requirements for applicants for loans under subsection (2)(a) of this section;

4 (d) The maximum amount an applicant for a loan under subsection (2)(a) of this section may
5 receive;

6 (e) The methodology the department will use for charging the account for administrative ex-
7 penses; and

8 (f) Procedures for submission of recommendations to the review board for loans under subsection
9 (2)(a) of this section.

10 (10) The department shall provide staff support for the review board.

11 (11) **As used in this section, “qualified recipient” means a local government, as defined**
12 **in ORS 174.116, a school district or another entity that meets eligibility criteria for post-**
13 **disaster grants offered by the Federal Emergency Management Agency.**

14 **SECTION 6.** ORS 401.536, as operative until July 1, 2022, is amended to read:

15 401.536. (1) The Oregon Local Disaster Assistance Loan and Grant Account is established as an
16 account in the Oregon Disaster Response Fund. The account consists of moneys appropriated by the
17 Legislative Assembly and any other moneys deposited into the account pursuant to law.

18 (2) Moneys in the account are continuously appropriated to the Oregon Military Department for:

19 (a) Providing loans to [*local governments, as defined in ORS 174.116, and school districts*] **quali-**
20 **fied recipients** to match, either in full or in part, moneys from federal programs for federally de-
21 clared disaster relief that require a match;

22 (b) Providing loans and grants to [*local governments, as defined in ORS 174.116, and school dis-*
23 *tricts*] **qualified recipients**, for the purpose of paying costs incurred by [*local governments and school*
24 *districts*] **qualified recipients** in response to federally declared disasters;

25 (c) Providing loans and grants to [*local governments, as defined in ORS 174.116, and school dis-*
26 *tricts*] **qualified recipients** for the purposes of paying costs incurred by [*local governments and*
27 *school districts*] **qualified recipients** in response to disasters that are not federally declared disas-
28 ters, as determined by the Legislative Assembly, if all loans and grants provided under paragraphs
29 (a) and (b) of this subsection have been repaid, fulfilled or otherwise satisfied and moneys remain
30 in the account; and

31 (d) Subject to subsection (5) of this section, paying the department’s expenses for administering
32 loans made from the account under paragraph (a) of this subsection.

33 (3) Loans made under subsection (2)(b) or (c) of this section shall be repaid pursuant to such
34 terms and conditions as may be established by the Oregon Department of Administrative Services.
35 Loans made under subsection (2)(b) or (c) of this section may be interest free, or bear interest at a
36 rate established by the Oregon Department of Administrative Services. Amounts repaid on loans
37 made under subsection (2)(b) or (c) of this section shall be deposited in the General Fund.

38 (4) The Oregon Military Department shall deposit into the account any amounts repaid on loans
39 made under subsection (2)(a) of this section.

40 (5) The Oregon Military Department may not charge the account more than five percent of the
41 maximum amount in the account during a biennium for administrative expenses attributable to a
42 loan made under subsection (2)(a) of this section.

43 (6) An applicant may apply to the Oregon Military Department for a loan under subsection (2)(a)
44 of this section. The department shall consider the application, make a recommendation and submit
45 the application and recommendation to the Local Disaster Assistance Review Board established

1 under subsection (7) of this section.

2 (7) The Oregon Military Department shall establish a Local Disaster Assistance Review Board
3 to:

4 (a) Review the recommendations of the department regarding loans under subsection (2)(a) of
5 this section;

6 (b) Approve, by a majority vote of members, the amount of any loan under subsection (2)(a) of
7 this section; and

8 (c) Approve, by a majority vote of members, the terms and conditions of any loan under sub-
9 section (2)(a) of this section.

10 (8) The review board shall include:

11 (a) Three members of county governing bodies, with at least one member representing a county
12 from east of the crest of the Cascade Mountains, with membership determined by the Association
13 of Oregon Counties;

14 (b) Three members of city governing bodies, with at least one member representing a city from
15 east of the crest of the Cascade Mountains, with membership determined by the League of Oregon
16 Cities;

17 (c) A representative of the office of the State Treasurer;

18 (d) A representative of the Oregon Military Department;

19 (e) A representative of school districts, with membership determined by the Oregon School
20 Boards Association;

21 (f) A representative of special districts, with membership determined by the Special Districts
22 Association of Oregon;

23 (g) A representative of the Oregon Department of Administrative Services; and

24 (h) Two additional members determined jointly by the department, the Association of Oregon
25 Counties and the League of Oregon Cities.

26 (9) The Office of Emergency Management of the Oregon Military Department shall adopt rules
27 establishing:

28 (a) A loan application process and application forms for loans under subsection (2)(a) of this
29 section;

30 (b) Reasonable financial terms and conditions for loans under subsection (2)(a) of this section,
31 including interest and the repayment of the loans;

32 (c) Eligibility requirements for applicants for loans under subsection (2)(a) of this section;

33 (d) The maximum amount an applicant for a loan under subsection (2)(a) of this section may
34 receive;

35 (e) The methodology the department will use for charging the account for administrative ex-
36 penses; and

37 (f) Procedures for submission of recommendations to the review board for loans under subsection
38 (2)(a) of this section.

39 (10) The Oregon Military Department shall provide staff support for the review board.

40 (11) **As used in this section, "qualified recipient" means a local government, as defined**
41 **in ORS 174.116, a school district or another entity that meets eligibility criteria for post-**
42 **disaster grants offered by the Federal Emergency Management Agency.**

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44 **EASTERN OREGON BORDER ECONOMIC DEVELOPMENT BOARD**
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1 **SECTION 7.** ORS 284.793 is amended to read:
2 284.793. (1) On or before June 30 of each year, the third-party administrator shall submit the
3 following information from the previous 12 months to the Eastern Oregon Border Economic Devel-
4 opment Board:
5 (a) The number of businesses or regionally significant industrial sites that were assisted with
6 grants awarded and loans made through programs under ORS 284.791;
7 (b) The types and amount of resources leveraged by the grant and loan moneys;
8 (c) The return on investment, performance and outcome with respect to jobs and wages in any
9 area of the Eastern Oregon Border Economic Development Region in which grant and loan moneys
10 were utilized; and
11 (d) Any other information the third-party administrator considers useful in evaluating the expe-
12 rience of the grant and loan programs.
13 (2)(a) On or before September 15 of each year, the Eastern Oregon Border Economic Develop-
14 ment Board, **jointly with the Oregon Business Development Department**, shall submit a report
15 **to the Legislative Assembly**, in the manner required under ORS 192.245, [*to the Joint Committee*
16 *on Ways and Means or the Emergency Board*,] that sets forth the information received from the
17 third-party administrator under subsection (1) of this section and any other information from any
18 source that the Eastern Oregon Border Economic Development Board thinks convenient or neces-
19 sary for evaluating the administration and experience of the grant and loan program established
20 under ORS 284.771 to 284.801.
21 (b) The Eastern Oregon Border Economic Development Board's report may include recommen-
22 dations for legislation and strategies to improve workforce development and economic development
23 in the region.

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UNIT CAPTIONS

27 **SECTION 8.** **The unit captions used in this 2022 Act are provided only for the convenience**
28 **of the reader and do not become part of the statutory law of this state or express any leg-**
29 **islative intent in the enactment of this 2022 Act.**

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EMERGENCY CLAUSE

33 **SECTION 9.** **This 2022 Act being necessary for the immediate preservation of the public**
34 **peace, health and safety, an emergency is declared to exist, and this 2022 Act takes effect**
35 **on its passage.**

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