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SUMMARY

Authorizes issuance of lottery bonds to finance water storage and distribution projects.

Establishes Water Storage Fund. Continuously appropriates moneys in fund to Water Resources Department.

Establishes Dry Day Subaccount. Continuously appropriates moneys in subaccount to Water Resources Department.

Declares emergency, effective on passage.

A BILL FOR AN ACT

Relating to water; and declaring an emergency.

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

SECTION 1. (1) For the biennium beginning July 1, 2015, at the request of 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 \$_____ 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 \$_____ in net proceeds and interest earnings must be transferred to the Water Resources Department for deposit in the Water Storage Fund, established in section 2 of this 2016 Act, to be used to plan, develop, construct and operate water storage projects and water distribution projects in this state.

(3) The Legislative Assembly finds that investment in water storage projects and water distribution projects will ameliorate the effects of

1 drought, encourage economic development in counties that suffer
2 from drought or that may suffer from drought in the future, create
3 jobs and minimize job loss in the event of drought. The Legislative
4 Assembly thereby finds that the use of lottery bonds will create jobs
5 and facilitate and encourage economic development.

6 (4) As used in this section:

7 (a) "Water distribution project" means a project to supply water for
8 the public benefit to ameliorate the effects of drought.

9 (b) "Water storage project" means a project that will enhance the
10 ability of the State of Oregon to store water for future use.

11 **SECTION 2.** (1) The Water Storage Fund is established in the State
12 Treasury, separate and distinct from the General Fund. Interest
13 earned by the Water Storage Fund shall be credited to the fund. The
14 fund consists of moneys deposited in the fund under section 1 of this
15 2016 Act and may include moneys appropriated, allocated, deposited
16 or transferred to the fund by the Legislative Assembly or otherwise
17 and interest earned on moneys in the fund.

18 (2) Of moneys deposited in the fund, 10 percent must be deposited
19 in the Dry Day Subaccount established in section 3 of this 2016 Act.

20 (3) Moneys in the fund are continuously appropriated to the Water
21 Resources Department for the purposes described in section 1 of this
22 2016 Act.

23 **SECTION 3.** (1) The Dry Day Subaccount is established in the Water
24 Storage Fund established in section 2 of this 2016 Act. Interest earned
25 by the subaccount shall be credited to the subaccount. Moneys in the
26 subaccount are continuously appropriated to the Water Resources
27 Department to be used to plan, develop, construct and operate projects
28 to supply water for the public benefit to ameliorate the effects of
29 drought.

30 (2) The department may accept grants, donations, contributions or
31 gifts from any source for deposit in the Dry Day Subaccount.

1 **SECTION 4. This 2016 Act being necessary for the immediate pres-**
2 **ervation of the public peace, health and safety, an emergency is de-**
3 **clared to exist, and this 2016 Act takes effect on its passage.**

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