CHAPTER 782

AN ACT SB 813

Relating to public safety improvements to public buildings; creating new provisions; amending ORS 285A.093, 286A.760, 286A.762, 286A.766, 286A.768, 286A.780, 286A.782, 286A.786, 286A.788, 401.092 and 401.910; appropriating money; limiting expenditures; and declaring an emergency.

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

SEISMIC REHABILITATION

SECTION 1. ORS 401.910 is amended to read:

401.910. (1) [The Director of the Office of Emergency Management, pursuant to the authority to administer grant programs for seismic rehabilitation provided in ORS 401.092,] The Oregon Business Development Department shall develop a grant program for the disbursement of funds for the seismic rehabilitation of critical public buildings, including hospital buildings with acute inpatient care facilities, fire stations, police stations, sheriffs’ offices, other facilities used by state, county, district or municipal law enforcement agencies and buildings with a capacity of 250 or more persons that are routinely used for student activities by kindergarten through grade 12 public schools, community colleges, education service districts and institutions of higher education. The Oregon Infrastructure Finance Authority established in the department by ORS 285A.096 shall administer the grant program developed under this section. The funds for the seismic rehabilitation of critical public buildings under the grant program are to be provided from the issuance of bonds pursuant to the authority provided in Articles XI-M and XI-N of the Oregon Constitution.

(2) The grant program shall include the appointment of a grant committee. The grant committee may be composed of any number of persons with qualifications that the [director] authority determines necessary. However, the [director] authority shall include persons with experience in administering state grant programs and representatives of entities with responsibility over critical public buildings. The [director] authority shall also include as permanent members representatives of:

(a) The [Department of Human Services] Office of Emergency Management;
(b) The State Department of Geology and Mineral Industries;
(c) The Seismic Safety Policy Advisory Commission;
(d) The Oregon Department of Administrative Services;
(e) The Department of Education;
(f) The Oregon Health Authority;
(g) The Oregon Fire Chiefs Association;
(h) The Oregon Association Chiefs of Police; and

(i) The Oregon Association of Hospitals and Health Systems; and
(j) The Confederation of Oregon School Administrators.

(3) The [director] authority shall determine the form and method of applying for grants from the grant program, the eligibility requirements for grant applicants, and general terms and conditions of the grants. The [director] authority shall also provide that the grant committee review grant applications and make a determination of funding based on a scoring system that is directly related to the statewide needs assessment performed by the State Department of Geology and Mineral Industries. Additionally, the grant process may:

(a) Require that the grant applicant provide matching funds for completion of any seismic rehabilitation project.
(b) Provide authority to the grant committee to waive requirements of the grant program based on special circumstances such as proximity to fault hazards, community value of the structure, emergency functions provided by the structure and storage of hazardous materials.
(c) Allow an applicant to appeal any determination of grant funding to the [director] authority for reevaluation.

(d) Provide that applicants release the state, the [director] authority and the grant committee from any claims of liability for providing funding for seismic rehabilitation.

(e) Provide separate rules for funding rehabilitation of structural and nonstructural building elements.

(4) Subject to the grant rules established by the [director] authority and subject to reevaluation by the [director] authority, the grant committee has the responsibility to review and make determinations on grant applications under the grant program established pursuant to this section.

SECTION 2. ORS 401.092 is amended to read:

401.092. (1) The Director of the Office of Emergency Management is responsible for coordinating and facilitating exercises and training, emergency planning, preparedness, response, mitigation and recovery activities with the state and local emergency services agencies and organizations, and shall, with the approval of the Adjutant General or as directed by the Governor:

(a) Make rules that are necessary and proper for the administration and implementation of this chapter;
(b) Coordinate the activities of all public and private organizations specifically related to providing emergency services within this state;
(c) Maintain a cooperative liaison with emergency management agencies and organizations of local governments, other states and the federal government;
(d) Have such additional authority, duties and responsibilities authorized by this chapter or as may be directed by the Governor;
(e) Administer grants relating to emergency pro-
gram management under ORS 401.305, [seismic reha-
bilitation,] emergency services for the state and the
statewide 2-1-1 system as provided in ORS 403.430;
(f) Provide for and staff a State Emergency Op-
erations Center to aid the Governor and the Office
of Emergency Management in the performance of
duties under this chapter;
(g) Serve as the Governor’s authorized representa-
tive for coordination of certain response activities
and managing the recovery process;
(h) Establish training and professional standards
for local emergency program management personnel;
(i) Establish task forces and advisory groups to
assist the office in achieving mandated responsibilities;
(j) Enforce compliance requirements of federal
and state agencies for receiving funds and conduct-
ing designated emergency functions;
(k) Oversee the design, implementation and sup-
port of a statewide 2-1-1 system as provided under
ORS 403.415; and
(L) Coordinate the activities of state and local
governments to enable state and local governments
to work together during domestic incidents as pro-
vided in the National Incident Management System
established by the Homeland Security Presidential
(2) Notwithstanding subsection (1) of this sec-
tion, the State Forester shall serve as the
Governor’s authorized representative for the purpose
of initiating the fire management assistance decla-
ration process with the Federal Emergency Man-
agement Agency and administering Federal Emergency
Management Agency fire management assistance
grants.

SECTION 3. ORS 285A.093 is amended to read:
285A.093. The Oregon Infrastructure Finance
Authority Board shall:
(1) Serve as a body to advise municipalities, state
agencies and private persons on the development and
implementation of state policies and programs relat-
ing to the infrastructure needs of this state and its
communities,
(2) Advise the Governor, the Oregon Business
Development Commission, the Director of the Ore-
gon Business Development Department and the Ore-
gon Business Development Department on matters
identified by the commission as being of interest to
the Governor, the commission, the director and the
department that relate to infrastructure and public
works programs administered, and actions taken, by
the Oregon Infrastructure Finance Authority.
(3) Provide the commission with the opportunity
to comment and provide direction on matters relat-
ing to infrastructure and public works programs ad-
ministered, and actions taken, by the authority.
(4) Seek and receive the views of all levels of
government and the private sector with respect to
state policies and programs to address the infra-
structure needs of this state.

(5) Prepare and submit to the director suggested
administrative rules that the board determines are
necessary for the operation of the programs under
the direction of the authority.
(6) Establish policies and procedures for loan and
grant programs administered by the authority, ex-
cept for the seismic rehabilitation grant pro-
gram administered under ORS 401.910.

SECTION 4. ORS 286A.760 is amended to read:
286A.760. As used in ORS 286A.760 to 286A.772,
unless the context requires otherwise:
(1) “Article XI-M bonds” means general obliga-
tion bonds or other general obligation indebted-
ess issued or incurred under the authority of
Article XI-M of the Oregon Constitution.
(2) “Bond administration fund” means the Arti-
cle XI-M Bond Administration Fund established un-
der ORS 286A.766.
(3) “Bond fund” means the Article XI-M Bond
Fund established under ORS 286A.764.
(4) “Bond-related costs” means:
(a) The costs of paying the principal of, the in-
terest on and the premium, if any, on Article XI-M
bonds;
(b) The costs and expenses of issuing, adminis-
tering and maintaining Article XI-M bonds includ-
ing, but not limited to, redeeming Article XI-M
bonds and paying amounts due in connection with
bond insurance, other credit enhancements or the
administrative costs and expenses of the State
Treasurer and the Oregon Department of Adminis-
trative Services, including costs of consultants or
advisers retained by the State Treasurer or the de-
partment for the purpose of issuing, administering
or maintaining Article XI-M bonds;
(c) Capitalized interest on Article XI-M bonds;
(d) Costs of funding reserves for Article XI-M
bonds, including costs of surety bonds and similar
instruments;
(e) Rebates or penalties due the United States
Government in connection with Article XI-M bonds;
and
(f) Other costs or expenses that the Director of
the Oregon Department of Administrative Services
determines are necessary or desirable in connection
with issuing, administering or maintaining Article
XI-M bonds.
(5) “Seismic fund” means the Education Seismic
Fund established under ORS 286A.768.
(6) “State share of costs” means the total costs
and related expenses of the seismic rehabilitation
of public education buildings, minus contributions
for seismic rehabilitation from the applicants as re-
quired by the [Office of Emergency Management]
Oregon Business Development Department.

SECTION 5. ORS 286A.762 is amended to read:
286A.762. (1) Article XI-M bonds are a general
obligation of the State of Oregon and must contain
a direct promise on behalf of the State of Oregon to
pay the principal of, the interest on and the pre-
mium, if any, on the Article XI-M bonds. The State
of Oregon shall pledge its full faith and credit and taxing power to pay Article XI-M bonds, except that the ad valorem taxing power of the State of Oregon may not be pledged to pay Article XI-M bonds.

(2) The State Treasurer, with the concurrence of the Director of the Oregon Department of Administrative Services, may issue Article XI-M bonds as provided in this chapter, subject to the limit on bond issuance established for the particular biennium pursuant to ORS 286A.035 and at the request of the [Director of the Office of Emergency Management] Director of the Oregon Business Development Department, for the purpose of financing all or a portion of the state share of costs to plan and implement seismic rehabilitation of public education buildings in the amount of the state share of costs, plus an amount determined by the State Treasurer to pay estimated bond-related costs.

(3) The State Treasurer shall transfer the net proceeds of Article XI-M bonds issued for the purpose described in subsection (2)(a) of this section to the [Office of Emergency Management] Oregon Business Development Department for deposit in the Education Seismic Fund established under ORS 286A.766.

SECTION 6. ORS 286A.766 is amended to read:
ORS 286A.766. (1) The Article XI-M Bond Administration Fund is established in the State Treasury, separate and distinct from the General Fund. Amounts in the bond administration fund may be invested as provided in ORS 293.701 to 293.820, and interest earned on the bond administration fund must be credited to the bond administration fund. Amounts credited to the bond administration fund are continuously appropriated to the Oregon Department of Administrative Services for payment of bond-related costs. The department shall credit to the bond administration fund:
(a) Proceeds of Article XI-M bonds that were issued to pay bond-related costs;
(b) Amounts appropriated or otherwise provided by the Legislative Assembly for deposit in the bond administration fund; and
(c) Gifts, grants or contributions received by the [Office of Emergency Management] Oregon Business Development Department for deposit in the Education Seismic Fund as appropriate for the management of moneys in the seismic fund.

(2) The [Office of Emergency Management] Oregon Business Development Department may create separate accounts in the seismic fund as appropriate for the management of moneys in the seismic fund.


(4) The [Office of Emergency Management] Oregon Business Development Department shall transfer to the Article XI-M Bond Administration Fund the unexpended and uncommitted amounts remaining in the seismic fund if:
(a) Unexpended funds that are not contractually committed to a particular purpose remain in the seismic fund on the last day of the biennium; and
(b) Article XI-M bonds will be outstanding in the next biennium.

(5) The [Office of Emergency Management] Oregon Business Development Department may adopt rules to carry out this section including, but not limited to, establishing:
(a) Required contributions from applicants;
(b) Fees;
(c) Standards, terms and conditions under which moneys in the seismic fund may be granted, loaned or otherwise made available; and
(d) Procedures for distributing and monitoring the use of moneys from the seismic fund.

SECTION 7. ORS 286A.768 is amended to read:
ORS 286A.768. (1) The Education Seismic Fund is established in the State Treasury, separate and distinct from the General Fund. Amounts in the seismic fund may be invested as provided in ORS 293.701 to 293.820, and interest earned on the seismic fund must be credited to the seismic fund. Amounts credited to the seismic fund are continuously appropriated to the [Office of Emergency Management] Oregon Business Development Department for the purpose described in ORS 286A.762 and for the purpose of paying bond-related costs. The [Office of Emergency Management] Oregon Business Development Department shall deposit in the seismic fund:
(a) The net proceeds of Article XI-M bonds transferred pursuant to ORS 286A.762 (3); and
(b) Moneys received as repayment of, as a return on or in exchange for the grant or loan of net proceeds of Article XI-M bonds.

(2) The [Office of Emergency Management] Oregon Business Development Department may create separate accounts in the seismic fund as appropriate for the management of moneys in the seismic fund.

(3) The [Office of Emergency Management] Oregon Business Development Department may create separate accounts in the seismic fund for the purpose described in ORS 286A.768.

(4) The [Office of Emergency Management] Oregon Business Development Department shall transfer to the Article XI-N Bond Administration Fund established under ORS 286A.780. As used in ORS 286A.780 to 286A.792, unless the context requires otherwise:
(1) “Article XI-N bonds” means general obligation bonds or other general obligation indebtedness issued or incurred under the authority of Article XI-N of the Oregon Constitution.
(2) “Bond administration fund” means the Article XI-N Bond Administration Fund established under ORS 286A.786.
(3) “Bond fund” means the Article XI-N Bond Fund established under ORS 286A.784.
(4) “Bond-related costs” means:
(a) The costs of paying the principal of, the interest on and the premium, if any, on Article XI-N bonds;
(b) The costs and expenses of issuing, administering and maintaining Article XI-N bonds including, but not limited to, redeeming Article XI-N bonds and...
paying amounts due in connection with bond insur-
ance, other credit enhancements or the administra-
tive costs and expenses of the State Treasurer and
the Oregon Department of Administrative Services,
including costs of consultants or advisers retained
by the State Treasurer or the department for the
purpose of issuing, administering or maintaining Ar-
ticle XI-N bonds;
(c) Capitalized interest on Article XI-N bonds;
(d) Costs of funding reserves for Article XI-N
bonds, including costs of surety bonds and similar
instruments;
(e) Rebates or penalties due the United States
Government in connection with Article XI-N bonds; and
(f) Other costs or expenses that the Director of
the Oregon Department of Administrative Services
determines are necessary or desirable in connection
with issuing, administering or maintaining Article
XI-N bonds.
(5) “Seismic fund” means the Emergency Ser-
tices Seismic Fund established under ORS 286A.788.
(6) “State share of costs” means the total costs
and related expenses of the seismic rehabilitation of
emergency services buildings, minus contributions
for seismic rehabilitation from the applicants as re-
quired by the [Office of Emergency Management]
Oregon Business Development Department.

SECTION 9. ORS 286A.782 is amended to read:
ORS 286A.782. (1) Article XI-N bonds are a general
obligation of the State of Oregon and must contain
a direct promise on behalf of the State of Oregon to
pay the principal of, the interest on and the pre-
mium, if any, on the Article XI-N bonds. The State
of Oregon shall pledge its full faith and credit and
taxing power to pay Article XI-N bonds, except that
the ad valorem taxing power of the State of Oregon
may not be pledged to pay Article XI-N bonds.
(2) The State Treasurer, with the concurrence of
the Director of the Oregon Department of Adminis-
trative Services, may issue Article XI-N bonds as
provided in this chapter, subject to the limit on bond
issuance established for the particular biennium
pursuant to ORS 286A.035 and at the request of the
Director of the [Office of Emergency Management]
Oregon Business Development Department, for
the purpose of financing all or a portion of the state
share of costs to plan and implement seismic reha-
bilitation of emergency services buildings in the
amount of the state share of costs, plus an amount
determined by the State Treasurer to pay estimated
bond-related costs.
(3) The State Treasurer shall transfer the net
proceeds of Article XI-N bonds issued for the pur-
pose described in subsection (2)(a) of this section to the
[Office of Emergency Management] Oregon
Business Development Department for deposit in
the Emergency Services Seismic Fund established
under ORS 286A.788.

SECTION 10. ORS 286A.786. (1) The Article XI-N Bond Admin-
istration Fund is established in the State Treasury, separate and distinct from the General Fund. Amounts in the bond administration fund may be
invested as provided in ORS 293.701 to 293.820, and
interest earned on the bond administration fund
must be credited to the bond administration fund.
Amounts credited to the bond administration fund
are continuously appropriated to the Oregon De-
partment of Administrative Services for payment of
bond-related costs. The department shall credit to
the bond administration fund:
(a) Proceeds of Article XI-N bonds that were is-
sued to pay bond-related costs;
(b) Amounts appropriated or otherwise provided
by the Legislative Assembly for deposit in the bond
administration fund; and
(c) Amounts transferred from the Emergency
Services Seismic Fund by the [Office of Emergency
Management] Oregon Business Development De-
partment as provided in ORS 286A.788.
(2) The Oregon Department of Administrative
Services may create separate accounts in the bond
administration fund.

SECTION 11. ORS 286A.788 is amended to read:
ORS 286A.788. (1) The Emergency Services Seismic
Fund is established in the State Treasury, separate
and distinct from the General Fund. Amounts in the
seismic fund may be invested as provided in ORS
293.701 to 293.820, and interest earned on the seis-
mic fund must be credited to the seismic fund.
Amounts credited to the seismic fund are contin-
uously appropriated to the [Office of Emergency
Management] Oregon Business Development De-
partment for the purpose described in ORS
286A.782 (2) and for the purpose of paying bond-
related costs. The [office] department shall deposit in
the seismic fund:
(a) The net proceeds of Article XI-N bonds
transferred pursuant to ORS 286A.782 (3);
(b) Amounts appropriated or otherwise provided
by the Legislative Assembly for deposit in the seis-
mic fund;
(c) Gifts, grants or contributions received by the
[office] department for the purpose described in
ORS 286A.782 (2); and
(d) Moneys received as repayment of, as a return
on or in exchange for the grant or loan of net pro-
cceeds of Article XI-N bonds.
(2) The [office] Oregon Business Development
Department may create separate accounts in the
seismic fund as appropriate for the management of
moneys in the seismic fund.
(3) The [office] Oregon Business Development
Department and any other state agency or other
entity receiving or holding net proceeds of Article
XI-N bonds shall, at the direction of the Oregon De-
partment of Administrative Services, take action
necessary to maintain the excludability of interest
on Article XI-N bonds from gross income under the
Internal Revenue Code.
oregon laws 2013  chap. 782

(4) The Oregon Business Development Department shall transfer to the Article XI-N Bond Administration Fund the unexpended and uncommitted amounts remaining in the seismic fund if:

(a) Unexpended funds that are not contractually committed to a particular purpose remain in the seismic fund on the last day of the biennium; and

(b) Article XI-N bonds will be outstanding in the next biennium.

(5) The Oregon Business Development Department may adopt rules to carry out this section including, but not limited to, establishing:

(a) Required contributions from applicants;

(b) Fees;

(c) Standards, terms and conditions under which moneys in the seismic fund may be granted, loaned or otherwise made available; and

(d) Procedures for distributing and monitoring the use of moneys from the seismic fund.

TRANSFER

SECTION 12. The duties, functions and powers of the Director of the Office of Emergency Management relating to seismic rehabilitation of critical public buildings under the grant program described in ORS 401.910 are imposed upon, transferred to and vested in the Oregon Business Development Department.

RECORDS, PROPERTY, EMPLOYEES

SECTION 13. (1) The Director of the Office of Emergency Management shall:

(a) Deliver to the Oregon Business Development Department all records and property within the jurisdiction of the director that relate to the duties, functions and powers transferred by section 12 of this 2013 Act; and

(b) Transfer to the department those employees engaged primarily in the exercise of the duties, functions and powers transferred by section 12 of this 2013 Act.

(2) The Director of the Oregon Business Development Department shall take possession of the records and property, and shall take charge of the employees and employ them in the exercise of the duties, functions and powers transferred by section 12 of this 2013 Act, without reduction of compensation but subject to change or termination of employment or compensation as provided by law.

(3) The Governor shall resolve any dispute between the Director of the Office of Emergency Management and the Oregon Business Development Department relating to transfers of records, property or employees under this section, and the Governor’s decision is final.

UNEXPENDED REVENUES

SECTION 14. (1) The unexpended balances of amounts authorized to be expended by the Director of the Office of Emergency Management for the biennium beginning July 1, 2013, from revenues dedicated, continuously appropriated, appropriated or otherwise made available for the purpose of administering and enforcing the duties, functions and powers transferred by section 12 of this 2013 Act are transferred to and are available for expenditure by the Oregon Business Development Department for the biennium beginning July 1, 2013, for the purpose of administering and enforcing the duties, functions and powers transferred by section 12 of this 2013 Act.

(2) The expenditure classifications, if any, established by Acts authorizing or limiting expenditures by the director remain applicable to expenditures by the department under this section.

ACTION, PROCEEDING, PROSECUTION

SECTION 15. The transfer of duties, functions and powers to the Oregon Business Development Department by section 12 of this 2013 Act does not affect any action, proceeding or prosecution involving or with respect to such duties, functions and powers begun before and pending at the time of the transfer, except that the Oregon Business Development Department is substituted for the Director of the Office of Emergency Management in the action, proceeding or prosecution.

LIABILITY, DUTY, OBLIGATION

SECTION 16. (1) Nothing in sections 12 to 18 of this 2013 Act and the amendments to ORS 285A.093, 286A.760, 286A.762, 286A.766, 286A.768, 286A.780, 286A.782, 286A.786, 286A.788, 401.092 and 401.910 by sections 1 to 11 of this 2013 Act relieves a person of a liability, duty or obligation accruing under or with respect to the duties, functions and powers transferred by section 12 of this 2013 Act. The Oregon Business Development Department may undertake the collection or enforcement of any such liability, duty or obligation.

(2) The rights and obligations of the Director of the Office of Emergency Management legally incurred under contracts, leases and business transactions executed, entered into or begun before the operative date of section 12 of this 2013 Act accruing under or with respect to the duties, functions and powers transferred by section 12 of this 2013 Act are transferred to the department. For the purpose of succession to
these rights and obligations, the department is a continuation of the director and not a new authority.

RULES

SECTION 17. Notwithstanding the transfer of duties, functions and powers by section 12 of this 2013 Act, the rules of the Director of the Office of Emergency Management with respect to such duties, functions or powers that are in effect on the operative date of section 12 of this 2013 Act continue in effect until superseded or repealed by rules of the Oregon Business Development Department. References in such rules of the director to the director or the Office of Emergency Management or to an officer or employee of the office are considered to be references to the department or to an officer or employee of the department.

SECTION 18. Whenever, in any uncodified law or resolution of the Legislative Assembly or in any rule, document, record or proceeding authorized by the Legislative Assembly, in the context of the duties, functions and powers transferred by section 12 of this 2013 Act, reference is made to the Director of the Office of Emergency Management, to the Office of Emergency Management or to an officer or employee of the office, whose duties, functions or powers are transferred by section 12 of this 2013 Act, the reference is considered to be a reference to the Oregon Business Development Department or to an officer or employee of the department who by this 2013 Act is charged with carrying out such duties, functions and powers.

APPROPRIATIONS AND ALLOCATIONS

SECTION 18a. Notwithstanding any other provision of law, the General Fund appropriation made to the Oregon Military Department by section 1 (3), chapter 555, Oregon Laws 2013 (Enrolled Senate Bill 5534), for the biennium beginning July 1, 2013, for emergency management is decreased by $288,418 for the seismic rehabilitation grant program under ORS 401.910.

SECTION 18d. In addition to and not in lieu of any other appropriation, there is appropriated to the Oregon Business Development Department, for the biennium beginning July 1, 2013, out of the General Fund, the amount of $3,180,972, which may be expended for capital debt service and related costs for indebtedness incurred under Articles XI-M and XI-N of the Oregon Constitution.

SECTION 18e. Notwithstanding any other law limiting expenditures, the following amounts are established for the biennium beginning July 1, 2013, as the maximum limits for payment of expenses from lottery moneys allocated from the Administrative Services Economic Development Fund to the Oregon Business Development Department, for the following purposes:

1. Business, innovation and trade - seismic rehabilitation grant program........................... $ 160,421
2. Shared services - seismic rehabilitation grant program.... $ 120,655

SECTION 18f. Notwithstanding any other law limiting expenditures, the amount of $1,458,768 is established for the biennium beginning July 1, 2013, as the maximum limit for payment of expenses for seismic rehabilitation grant program from fees, moneys or other revenues, including Miscellaneous Receipts, but excluding lottery funds and federal funds, collected or received by the Oregon Business Development Department.

SECTION 18g. The Oregon Business Development Department may not spend moneys appropriated, allocated or authorized to be spent by sections 18c, 18d, 18e or 18f of this 2013 Act before January 1, 2014.

OPERATIVE DATE


UNIT CAPTIONS

SECTION 20. The unit captions used in this 2013 Act are provided only for the convenience of the reader and do not become part of the
statutory law of this state or express any legislative intent in the enactment of this 2013 Act.

EMERGENCY CLAUSE

SECTION 21. This 2013 Act being necessary for the immediate preservation of the public peace, health and safety, an emergency is declared to exist, and this 2013 Act takes effect on its passage.

Approved by the Governor August 14, 2013
Filed in the office of Secretary of State August 14, 2013
Effective date August 14, 2013