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

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

BROADBAND FUND

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

Sec. 4. The Broadband Fund is established, separate and distinct from the General Fund. Interest earned by the Broadband Fund shall be credited to the fund. Moneys in the Broadband Fund are continuously appropriated to the Oregon Business Development Department to be used only for providing grants or loans through, or for administering, the Oregon Broadband Office and the program established by rule under section 5 (of this 2020 special session Act), chapter 17, Oregon Laws 2020 (first special session). The fund shall consist of moneys deposited in the fund pursuant to ORS 759.425 and moneys appropriated or transferred to the fund by the Legislative Assembly.

STATE FORESTRY DEPARTMENT

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

SECTION 3. (1) The State Forestry Department Cash Flow Repayment Fund is established in the State Treasury, separate and distinct from the General Fund. The State Forestry Department Cash Flow Repayment Fund consists of moneys deposited in the fund by the State Forestry Department pursuant to subsection (2) of this section. Moneys in the fund are continuously appropriated to the department for the purposes set forth in subsection (3) of this section.

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

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

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

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

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

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

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

(3) The current balance of the fund; and

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

OREGON LOCAL DISASTER ASSISTANCE
LOAN AND GRANT ACCOUNT

SECTION 5. ORS 401.536 is amended to read:

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

(2) Moneys in the account are continuously appropriated to the Oregon Department of Emergency Management for:

(a) Providing loans to [local governments, as defined in ORS 174.116, and school districts] qualified recipients to match, either in full or in part, moneys from federal programs for federally declared disaster relief that require a match;

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

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

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

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

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

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

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

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

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

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

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

(8) The review board shall include:

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

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

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

(d) A representative of the department;

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

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

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

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

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

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

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

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

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

(e) The methodology the department will use for charging the account for administrative expenses; and

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

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

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

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

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

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

(a) Providing loans to [local governments, as defined in ORS 174.116, and school districts] qualified recipients to match, either in full or in part, moneys from federal programs for federally declared disaster relief that require a match;

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

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

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

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

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

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

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

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

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

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

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

(8) The review board shall include:

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

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

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

(d) A representative of the Oregon Military Department;

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

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

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

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

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

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

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

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

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

(e) The methodology the department will use for charging the account for administrative expenses; and

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

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

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

EASTERN OREGON BORDER ECONOMIC DEVELOPMENT BOARD

SECTION 7. ORS 284.793 is amended to read:

284.793. (1) On or before June 30 of each year, the third-party administrator shall submit the following information from the previous 12 months to the Eastern Oregon Border Economic Development Board:

(a) The number of businesses or regionally significant industrial sites that were assisted with grants awarded and loans made through programs under ORS 284.791;

(b) The types and amount of resources leveraged by the grant and loan moneys;

(c) The return on investment, performance and outcome with respect to jobs and wages in any area of the Eastern Oregon Border Economic Development Region in which grant and loan moneys were utilized; and

(d) Any other information the third-party administrator considers useful in evaluating the experience of the grant and loan programs.

(2)(a) On or before September 15 of each year, the Eastern Oregon Border Economic Development Board, jointly with the Oregon Business Devel-
opment Department, shall submit a report to the Legislative Assembly, in the manner required under ORS 192.245, [to the Joint Committee on Ways and Means or the Emergency Board,] that sets forth the information received from the third-party administrator under subsection (1) of this section and any other information from any source that the Eastern Oregon Border Economic Development Board thinks convenient or necessary for evaluating the administration and experience of the grant and loan program established under ORS 284.771 to 284.801.

(b) The Eastern Oregon Border Economic Development Board’s report may include recommendations for legislation and strategies to improve workforce development and economic development in the region.

UNIT CAPTIONS

SECTION 8. The unit captions used in this 2022 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 2022 Act.

EMERGENCY CLAUSE

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

Approved by the Governor March 23, 2022
Filed in the office of Secretary of State March 30, 2022
Effective date March 23, 2022