

Enrolled
Senate Bill 994

Sponsored by Senator JOHNSON (at the request of Governor Theodore R. Kulongoski)

CHAPTER

AN ACT

Relating to state financial administration; creating new provisions; amending ORS 291.375, 292.405, 292.410, 292.415, 292.425, 366.772 and 530.110; appropriating money; and declaring an emergency.

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

SECTION 1. Notwithstanding any other provision of law, the amount of \$2 million is transferred from the Problem Gambling Treatment Fund established by ORS 409.435 to the Administrative Services Economic Development Fund established by ORS 461.540, to be available for the biennium beginning July 1, 2007, for purposes for which moneys in the Administrative Services Economic Development Fund may be used.

SECTION 2. (1) Notwithstanding ORS 757.612 (3), an electric company that collects a public purpose charge from its customers and that has in its service area the Oregon Museum of Science and Industry shall transfer \$4.6 million to the State Department of Energy for the purposes described in subsection (3) of this section.

(2) Moneys described in subsection (1) of this section shall be considered to be taken from funds collected by the electric company that remain after the allocation to education service districts described in ORS 757.612 (3)(e) and the allocation to the Housing and Community Services Department described in ORS 757.612 (3)(b)(D) and prior to other allocations described in ORS 757.612 (3).

(3) Moneys transferred to the State Department of Energy under subsection (1) of this section are continuously appropriated to the department so that the department may help the Oregon Museum of Science and Industry with repayment of a loan made through the Small Scale Local Energy Project Loan Program.

SECTION 3. Section 2 of this 2007 Act is repealed on June 30, 2009.

SECTION 4. Notwithstanding ORS 279A.250 to 279A.290, if the Oregon Department of Administrative Services sells property from the State Capitol that is surplus property because of the State Capitol renovation project, the department shall deposit the net proceeds into the Oregon State Capitol Foundation Fund established by ORS 276.003.

SECTION 5. Notwithstanding ORS 401.806 and 401.808, the amount of \$9 million is transferred from the Emergency Communications Account established in ORS 401.806 (1) to the General Fund. Moneys transferred under this section may not come from the Enhanced 9-1-1 Subaccount or from the Enhanced 9-1-1 Equipment Replacement Subaccount.

SECTION 6. Notwithstanding any other provision of law, the amount of \$282,473 is transferred from the grant to the small business development centers made by section 3 (7), chapter 795, Oregon Laws 2005, to the Administrative Services Economic Development Fund

established by ORS 461.540, to be used for purposes for which moneys in the fund may be used.

SECTION 7. Notwithstanding any other provision of law, not later than January 1, 2008, the amount of \$3.65 million shall be transferred from the State Forestry Department Account established by ORS 526.060 to the Forest Patrol Fund referred to in ORS 293.110 to be available for forest fire protection administration expenses.

SECTION 8. ORS 530.110 is amended to read:

530.110. (1) All revenues derived from lands acquired without cost to the state, or acquired from counties pursuant to ORS 530.030, shall be paid into the State Treasury and credited to the State Forestry Department Account and shall be used exclusively for the purposes stated in subsection (3) of this section, and in accordance with the following distribution:

(a) Fifteen percent shall be credited to the State Forests Protection Subaccount of the State Forestry Department Account until the amount in such subaccount shall reach \$475,000. Thereafter, the revenues shall be disposed of as stated in paragraphs (b) and (c) of this subsection, unless needed to maintain the \$475,000 level. All moneys in the State Forests Protection Subaccount are appropriated continuously to the State Forester who may use such money under the following priorities:

(A) First, in addition to or in lieu of other moneys available, to pay the cost of protection, as determined under ORS 477.270, for lands acquired under ORS 530.010 to 530.040.

(B) Second, to provide moneys needed for activities authorized by subsection (3) of this section.

(C) From remaining moneys, to pay costs incurred in the suppression of fire originating on or spreading from an operation area, as defined in ORS 477.001, on state-owned forestland acquired under ORS 530.010 to 530.040. The State Forester shall make payments with approval of the State Board of Forestry for such fire suppression costs; except that no payments shall be made for such costs or portion thereof when other parties are responsible under law or contracts for the payment of such costs.

(b) Seventy-five percent of all such revenues remaining after the percentage disposed of as stated in paragraph (a) of this subsection, shall be disposed of as provided in ORS 530.115.

(c) Twenty-five percent of all such revenues remaining after the percentage disposed of as stated in paragraph (a) of this subsection, shall be used for the purposes set out in subsection (3) of this section.

(2) All revenues from lands other than lands designated in subsection (1) of this section, acquired under ORS 530.010 to 530.040, shall be paid into the State Treasury and credited to the State Forestry Department Account and shall be used exclusively for the purposes stated in subsection (3) of this section, and in accordance with the following distribution:

(a) Until each legal subdivision of the lands has been credited with an amount equal to the purchase price thereof, the revenues shall reimburse the State Forestry Department Account. If sufficient revenue to reimburse the State Forestry Department Account is not generated from the purchased parcels within five years from the date of acquisition, the State Forester, with the consent of the affected county, shall deduct all or portions of the unreimbursed purchase costs from the revenue distributed to that county in accordance with ORS 530.115 (1). Thereafter paragraphs (b), (c) and (d) of this subsection apply.

(b) The percentage required under subsection (1)(a) of this section shall be credited to the State Forests Protection Subaccount, thereafter, the revenues shall be disposed of as stated in paragraphs (c) and (d) of this subsection.

(c) Seventy-five percent of all such revenues remaining after paragraphs (a) and (b) of this subsection have been complied with, shall be disposed of as provided in ORS 530.115.

(d) Twenty-five percent of all such revenues remaining after the percentage disposed of as stated in paragraphs (a) and (b) of this subsection, shall be used for the purposes set out in subsection (3) of this section.

(3) **Unless otherwise consented to in advance and in writing by the counties from which the state has acquired lands without cost to the state or pursuant to ORS 530.130, the moneys in the State Forestry Department Account derived from those percentages of revenues set out in**

subsections (1)(c) and (2)(d) of this section shall be used **exclusively** for the redemption of Oregon forest development revenue bonds and payment of interest thereon, for the acquisition, development and management of forestlands and for such other purposes as are necessary in carrying out ORS 530.010 to 530.110.

SECTION 9. ORS 291.375 is amended to read:

291.375. (1) Prior to the submission of any application for financial assistance or grants from the United States or any agency thereof by or on behalf of any agency of this state, the application must be submitted for legislative review in the following manner:

(a) If the application is to be submitted to the federal government when the Legislative Assembly is in session, the application shall be submitted to the Joint Committee on Ways and Means for review.

(b) If the application is to be submitted to the federal government when the Legislative Assembly is not in session, the application shall be submitted to the Emergency Board **or to the interim Joint Committee on Ways and Means** for review.

(2) If the legislative agency authorized under subsection (1) of this section to review applications described therein approves the application, it may be submitted to the appropriate federal agency. If the legislative agency disapproves of the application, it shall not be submitted to any federal agency unless it is or can be modified to meet the objections of the legislative agency.

(3) Notwithstanding subsection (1) of this section, the Joint Committee on Ways and Means and the Emergency Board may exempt any state agency from the requirements of this section. Project grants for departmental research, organized activities related to instruction, sponsored research or other sponsored programs carried on within the Department of Higher Education, for which no biennial expenditure limitations have been established, are exempt from the requirements of this section.

(4) The review required by this section is in addition to and not in lieu of the requirements of ORS 293.550.

SECTION 10. ORS 292.405 is amended to read:

292.405. (1) The annual salary of the Chief Judge of the Court of Appeals shall be [*\$99,200 for the year beginning July 1, 2001, and ending June 30, 2002, and \$105,200 for the year beginning July 1, 2002, and ending June 30, 2003, and*] **\$122,028 for the year beginning July 1, 2007, and \$125,688** for each year thereafter.

(2) The annual salary of each other judge of the Court of Appeals shall be [*\$97,000 for the year beginning July 1, 2001, and ending June 30, 2002, and \$102,800 for the year beginning July 1, 2002, and ending June 30, 2003, and*] **\$119,244 for the year beginning July 1, 2007, and \$122,820** for each year thereafter.

SECTION 11. ORS 292.410 is amended to read:

292.410. (1) The annual salary of the Chief Justice of the Supreme Court shall be [*\$101,500 for the year beginning July 1, 2001, and ending June 30, 2002, and \$107,600 for the year beginning July 1, 2002, and ending June 30, 2003, and*] **\$124,812 for the year beginning July 1, 2007, and \$128,556** for each year thereafter.

(2) The annual salary of each other judge of the Supreme Court shall be [*\$99,200 for the year beginning July 1, 2001, and ending June 30, 2002, and \$105,200 for the year beginning July 1, 2002, and ending June 30, 2003, and*] **\$122,028 for the year beginning July 1, 2007, and \$125,688** for each year thereafter.

SECTION 12. ORS 292.415 is amended to read:

292.415. The annual salary of each judge of a circuit court shall be [*\$90,400 for the year beginning July 1, 2001, and ending June 30, 2002, and \$95,800 for the year beginning July 1, 2002, and ending June 30, 2003, and*] **\$111,132 for the year beginning July 1, 2007, and \$114,468** for each year thereafter.

SECTION 13. ORS 292.425 is amended to read:

292.425. The annual salary of the judge of the Oregon Tax Court shall be [*\$93,300 for the year beginning July 1, 2001, and ending June 30, 2002, and \$98,900 for the year beginning July 1, 2002,*

and ending June 30, 2003, and] **\$114,720 for the year beginning July 1, 2007, and \$118,164** for each year thereafter.

SECTION 14. ORS 366.772, as amended by section 20, chapter 618, Oregon Laws 2003, is amended to read:

366.772. (1) Not later than July 31 in each calendar year, the sum of \$500,000 shall be withdrawn from the appropriation specified in ORS 366.762, and the sum of \$250,000 shall be withdrawn from moneys available to the Department of Transportation from the State Highway Fund. The sums withdrawn shall be set up in a separate account to be administered by the Department of Transportation.

(2) Not later than July 31 in each calendar year, the sum of \$750,000 shall be withdrawn from the separate account described in subsection (1) of this section and distributed to counties that had a county road base funding deficit in the prior fiscal year. A county's share of the \$750,000 shall be based on the ratio of the amount of the county's road base funding deficit to the total amount of county road base funding deficits of all counties.

(3) Moneys allocated as provided in this section may be used only for maintenance, repair and improvement of existing roads.

(4) As used in this section:

(a) **"Arterial highway" has the meaning given that term in ORS 801.127.**

(b) **"Collector highway" has the meaning given that term in ORS 801.197.**

[a)] (c) "County road base funding deficit" means the amount of a county's minimum county road base funding minus the amount of that county's dedicated county road funding. A county has a county road base funding deficit only if the amount of the dedicated county road funding is less than the amount of the minimum county road base funding.

[b)] (d) "Dedicated county road funding" for a county means:

(A) Moneys received from federal forest reserves and apportioned to the county road fund in accordance with ORS 294.060;

(B) State Highway Fund moneys distributed to the county, other than moneys distributed under this section **and not including moneys allocated under section 15 of this 2007 Act**; and

(C) Federal Highway Administration revenues allocated by formula to the county annually under the federal-aid highway program authorized by 23 U.S.C. chapter 1. These moneys do not include federal funds received by the county through a competitive grant process.

[c)] (e) "Minimum county road base funding" means [*\$1 million*] **\$4,500 per mile of county roads that are arterial and collector highways** beginning on July 1, [2003] **2008**, and thereafter means [*\$1 million*] **\$4,500 per mile of county roads that are arterial and collector highways** as adjusted annually on the basis of the Portland-Salem, OR-WA, Consumer Price Index for All Urban Consumers for All Items, as published by the Bureau of Labor Statistics of the United States Department of Labor.

SECTION 15. Notwithstanding ORS 366.739, the Department of Transportation shall distribute moneys to each county no later than November 1, 2008, in the following amounts:

Baker County	\$517,514
Benton County	\$400,000
Clackamas County	\$2,241,837
Clatsop County	\$400,000
Columbia County	\$400,000
Coos County	\$400,000
Crook County	\$1,215,064
Curry County	\$1,624,789
Deschutes County	\$1,230,565
Douglas County	\$7,353,554
Gilliam County	\$751,404
Grant County	\$3,249,760
Harney County	\$1,935,370

Hood River County	\$867,549
Jackson County	\$2,078,126
Jefferson County	\$400,000
Josephine County	\$897,122
Klamath County	\$5,043,802
Lake County	\$1,816,679
Lane County	\$9,897,402
Lincoln County	\$1,651,353
Linn County	\$3,268,797
Malheur County	\$681,559
Marion County	\$1,232,345
Morrow County	\$490,013
Multnomah County	\$400,000
Polk County	\$400,000
Sherman County	\$761,973
Tillamook County	\$883,590
Umatilla County	\$400,000
Union County	\$400,000
Wallowa County	\$437,299
Wasco County	\$928,268
Washington County	\$400,000
Wheeler County	\$794,260
Yamhill County	\$400,000

SECTION 16. (1) If the Secure Rural Schools and Community Self-Determination Act of 2000 (P.L. 106-393) is reauthorized for the federal fiscal year beginning October 1, 2008, each county shall match 10.89 percent of the funds the county receives from the Department of Transportation under section 15 of this 2007 Act.

(2) If the department determines that the federal government has not reauthorized the Secure Rural Schools and Community Self-Determination Act of 2000 or approved another source of funding for the counties for the federal fiscal year beginning October 1, 2008, the Oregon Transportation Commission may determine how the counties may match an amount not to exceed 10.89 percent of the funds the counties receive from the department under section 15 of this 2007 Act.

SECTION 17. (1) Prior to selecting transportation projects using funds distributed to the counties by the Department of Transportation pursuant to section 15 of this 2007 Act, each county shall consult with and solicit comments and recommendations from the cities within the county and any appropriate advisory group.

(2) The Association of Oregon Counties shall provide a report to the Joint Committee on Ways and Means of the Seventy-fifth Legislative Assembly no later than April 1, 2009. The report must identify the projects funded with moneys distributed under section 15 of this 2007 Act, the budget for each project and amount of state and local moneys expended on each project, and the start and completion dates for the projects.

SECTION 18. Notwithstanding ORS 366.507, the Department of Transportation may decrease the amount of moneys spent on modernization required by ORS 366.507 by 25 percent.

SECTION 19. (1) Sections 15 to 17 of this 2007 Act are repealed on June 30, 2009.

(2) Section 18 of this 2007 Act is repealed on June 30, 2011.

SECTION 20. Sections 15 to 18 of this 2007 Act become operative July 1, 2008.

SECTION 21. This 2007 Act being necessary for the immediate preservation of the public peace, health and safety, an emergency is declared to exist, and this 2007 Act takes effect on its passage.

Passed by Senate June 24, 2007

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Secretary of Senate

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President of Senate

Passed by House June 27, 2007

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Speaker of House

Received by Governor:

.....M,....., 2007

Approved:

.....M,....., 2007

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Governor

Filed in Office of Secretary of State:

.....M,....., 2007

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Secretary of State