71st OREGON LEGISLATIVE ASSEMBLY--2001 Regular Session

NOTE: Matter within { + braces and plus signs + } in an amended section is new. Matter within { - braces and minus signs - } is existing law to be omitted. New sections are wi { + braces and plus signs + } .

LC 1714

A-Engrossed

House Bill 2923
Ordered by the House June 21
Including House Amendments dated June 21

Sponsored by Representatives SIMMONS, WESTLUND, Senator L BE Representatives BECK, BROWN, DEVLIN, GARDNER, KAFOURY, LEO MINNIS, NOLAN, PATRIDGE, SHETTERLY, G SMITH, V WALKER, WILLIAMS, Senators ATKINSON, BROWN, BURDICK, CARTER, CASTI CLARNO, CORCORAN, COURTNEY, DUNCAN, FERRIOLI, HANNON, HART METSGER, MINNIS, SHIELDS (at the request of Joint Interim Force on Cultural Arts and former Representative Lynn Snodgrass)

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.

Renames Cultural Trust Fund Investment Account as Trust fo Cultural Development Account. Creates Trust for Cultural Development Board to oversee account. Directs office of the Secretary of State to provide staff support to board. Specif distribution of funds for cultural development, community cultural participation and core partner agencies.

Creates tax credit for amounts contributed to Trust for Cultural Development Account and cultural organizations.

Directs Department of Transportation to establish cultural { - license - } { + registration + } plate program for issuance of special registration plate. Imposes surcharge. U moneys collected for Trust for Cultural Development Account.

{ - Appropriates moneys from General Fund to department initiate program. - }

{ + Directs Department of Corrections to work with Orego Department of Administrative Services and others to develop for sale of between 349 and 400 acres of real property owned Department of Corrections and described in Master Plan for Corrections Farm Property, Salem, Oregon. Specifies other ac that must be taken by Department of Corrections and Oregon Department of Administrative Services with respect to real property described in Master Plan. Requires specified portio proceeds from sale of real property to be transferred to Tru for Cultural Development Account.

Specifies that proceeds from Space Age Industrial Park sha credited to Trust for Cultural Development Account. Provides under certain circumstances moneys from Trust for Cultural Development Account are allocated to the Emergency Board for in Morrow County. + }

Takes effect on 91st day following adjournment sine die.

A BILL FOR AN ACT

Relating to Trust for Cultural Development; creating new provisions; amending ORS 270.150, 273.384, 285A.216, 293.7 426.506 and 427.340; appropriating money; and prescribing effective date.

Whereas culture is the distillation of those things that identify us as people, including our shared and individual s of heritage, history, place, creativity and art, traditions customs; and

Whereas culture is an integral part of Oregon; and

Whereas culture can be an alternative to destructive behav and a healing force; and

Whereas children educated in arts and culture will contrib to the creative workforce of the new economy; and

Whereas a state with a vibrant arts and cultural life attr and retains educated people and progressive businesses; and

Whereas the cultural assets in our communities include theatres, performing arts centers and programs, historic buildings, museums and their exhibits, public art, historic trails, pioneer cemeteries, archeological sites, architectur

Native American culture and traditions, libraries and parks;
Whereas these cultural assets are endangered; and
Whereas it is the intention of the Legislative Assembly th moneys received through the Trust for Cultural Development Account may not be used to furnish, show, exhibit or display item that would otherwise be considered obscene and unseemly the furnishing, showing, exhibiting or displaying of which i unlawful; and
Whereas the Oregon Arts Commission, the Oregon Council for Humanities, the Oregon Heritage Commission, the Oregon Histo Society and the State Historic Preservation Officer are impo to the preservation of these cultural assets; and
Whereas it is the intention of the Legislative Assembly th money received by these agencies through the Trust for Cultu Development Account shall be in addition to money appropriat the agencies for 1999-2001 biennium; now, therefore,
Be It Enacted by the People of the State of Oregon:
SECTION 1. ORS 285A.216 is amended to read:
285A.216. (1) The { - Cultural Trust Fund Investment Account - } { + Trust for Cultural Development Account + } established in the State Treasury, separate and distinct fro General Fund. Interest earned by the { - Cultural Trust Fu Investment Account - } { + Trust for Cultural Development Account + } shall be credited to the account. The primary pu of the account is to serve as a repository for both public a private moneys designated to fund specific arts, heritage an humanities programs.
(2) All moneys in the { - Cultural Trust Fund Investment Account - } { + Trust for Cultural Development Account + } appropriated continuously to { - be distributed by the Eco and Community Development Department - } { + the Secretary State for the purposes of sections 3 to 16 of this 2001 Act
SECTION 2. { + (1) The amendments to ORS 285A.216 by sect of this 2001 Act are intended to change the name of the 'Cul Trust Fund Investment Account' to the 'Trust for Cultural Development Account. '
(2) For the purpose of harmonizing and clarifying statute sections published in Oregon Revised Statutes, the Legislati Counsel may substitute for words designating the 'Cultural T Fund Investment Account,' wherever they occur in Oregon Revi Statutes, other words designating the 'Trust for Cultural Development Account.' + }
SECTION 3. { + As used in sections 3 to 16 of this 2001 A

(1) 'Community Cultural Participation Grant Program' means program created by section 11 of this 2001 Act.

(2) 'Core partner agencies' means the Oregon Arts Commissi the Oregon Council for the Humanities, the Oregon Heritage Commission, the Oregon Historical Society and the State Hist Preservation Officer.

(3) 'Cultural Development Grant Program' means the program created by section 10 of this 2001 Act.

(4) 'Cultural organization' means an entity that is:

(a) Exempt from federal income tax under section 501(c)(3) the Internal Revenue Code; and

(b) Organized primarily for the purpose of producing, prom or presenting the arts, heritage, programs and humanities to public or organized primarily for identifying, documenting, interpreting and preserving cultural resources.

(5) 'Trust for Cultural Development Account' means the acc established by ORS 285A.216. + }

SECTION 4. { + (1) There is established a Trust for Cultu Development Board consisting of seven members appointed by t Governor. The membership of the board shall reflect the geographical and cultural diversity of this state. Each memb shall have a background that demonstrates a commitment to Oregon's culture. In addition to the members appointed by th Governor, the Secretary of State shall be a member of the bo and shall be the chairperson of the board.

(2) The Speaker of the House of Representatives and the President of the Senate shall each appoint a member of the Legislative Assembly who shall be a nonvoting advisory membe the board.

(3) The term of office of each appointed member is four ye but a member serves at the pleasure of the appointing author Before the expiration of the term of a member, the appointin authority shall appoint a successor whose term begins on Nov 1 next following. A member is eligible for reappointment. If there is a vacancy for any cause, the appointing authority s make an appointment to become immediately effective for the unexpired term.

(4) The appointment of board members by the Governor is su to confirmation by the Senate in the manner prescribed in OR 171.562 and 171.565.

(5) A member of the board is entitled to compensation and expenses as provided in ORS 292.495. + }

SECTION 5. { + Notwithstanding the term of office specifi section 4 of this 2001 Act, of the members first appointed t Trust for Cultural Development Board by the Governor:

(1) Two shall serve for terms ending October 31, 2003.

(2) Two shall serve for terms ending October 31, 2004.

(3) Three shall serve for terms ending October 31, 2005. +

SECTION 6. { + (1) A majority of the members of the Trust Cultural Development Board constitutes a quorum for the transaction of business.

(2) The board shall meet at least once every three months place, day and hour determined by the chairperson. The board shall meet at other times and places specified by the call o chairperson or of a majority of the members of the board.

(3) The chairperson shall invite representatives of the co partner agencies to all meetings of the board. + }

SECTION 7. { + (1) The Trust for Cultural Development Boa shall oversee management of the Trust for Cultural Developme Account and shall provide direction to the office of the Secretary of State for the coordination, administration and evaluation of the Cultural Development Grant Program, the Community Cultural Participation Grant Program and the use o funds received by core partner agencies under section 14 of 2001 Act.

(2) In accordance with applicable provisions of ORS 183.31 183.550, the board may adopt rules necessary for the administration of sections 3 to 16 of this 2001 Act. + }

SECTION 8. { + The office of the Secretary of State shall provide staff support to the Trust for Cultural Development Board. Under the direction of the board, this staff shall:

(1) Coordinate grant management;

(2) Provide Trust for Cultural Development Account managem and accounting;

(3) Work with cultural agencies and their constituents to communicate with and educate the public on the role culture in the lives of citizens and communities; and

(4) Evaluate the Cultural Development Grant Program, the Community Cultural Participation Grant Program and the use o funds received under section 13 of this 2001 Act by core par agencies. + }

SECTION 9. { + (1) Under the direction of the Trust for Cultural Development Board, the office of the Secretary of S shall disburse each fiscal year up to 42 percent of the amou the Trust for Cultural Development Account on July 1.

(2) The office of the Secretary of State may use up to 7.5 percent of any amount disbursed from the account under subse (1) of this section for:

(a) Supporting the operations of the account;

(b) Facilitating technical assistance;

(c) Local cultural planning; and

(d) Other activities that encourage cultural activity.

(3) At least 92.5 percent of any amount disbursed from the account under subsection (1) of this section shall be distri as follows:

(a) One-third to the preservation of, stabilization of and investment in Oregon's cultural resources through the Cultur Development Grant Program as provided under section 10 of th 2001 Act.

(b) One-third to Oregon's counties and to the nine federal recognized Indian tribes through the Community Cultural Participation Grant Program as provided under section 11 of 2001 Act.

(c) One-third to the core partner agencies as provided und section 14 of this 2001 Act. + }

SECTION 10. { + (1) There is created the Cultural Develop Grant Program to be administered by the office of the Secret of State under the direction of the Trust for Cultural Development Board. The purpose of the program is to provide preservation of, stabilization of and investment in Oregon's cultural resources. The office of the Secretary of State sh make Cultural Development Grants to cultural organizations through a request for proposal process.

(2) The grants may be used:

(a) To address significant opportunities to advance, prese or stabilize cultural resources; and

(b) To invest in the development of new cultural resources

(3) The office of the Secretary of State shall give priori when awarding grants to:

(a) Proposals that have a broad cultural impact beyond the applicant itself.

(b) Proposals from applicants that have culture as a prior within the mission of the applicant.

(4) Applicants that receive a grant under this section sha required to match the grant amount in an amount as determine the board. + }

SECTION 11. { + (1) There is created the Community Cultur Participation Grant Program to be administered by the office

the Secretary of State under the direction of the Trust for Cultural Development Board. The purpose of the program is to provide funds to counties and Indian tribes for local cultur activities. The office of the Secretary of State shall make Community Cultural Participation Grants to counties and trib

(2) The board shall develop guidelines for local cultural plans.

(3) A local cultural plan shall:

(a) Identify priorities and specific strategies for buildi public cultural participation across cultural disciplines an organizations. The strategies may include the involvement of partners outside of the cultural sector such as business organizations, schools and health and human services organizations.

(b) Identify annual benchmarks to determine the impact of funds.

(c) Specify local leadership and governance for grant fund management and for ongoing planning and development of benchmarks.

(4) Local cultural plans shall be broadly disseminated wit each county or tribe. The local cultural plans shall be used encourage planning and collaboration among cultural entities

SECTION 12. { + (1) For the fiscal year beginning July 1, 2002, the office of the Secretary of State, under the direct of the Trust for Cultural Development Board, shall make Comm Cultural Participation Grants under section 11 of this 2001 to counties and Indian tribes to support local cultural plan The office of the Secretary of State shall provide technical assistance to counties and tribes to support local cultural planning.

(2) Grant funds may be used to address planning costs associated with creating a local cultural plan, including bu limited to:

(a) Conducting research;

(b) Convening the public;

(c) Using professional counsel and facilitators; and

(d) Surveying members of the community.

(3) The office of the Secretary of State shall allocate gr amounts for counties and tribes using a base amount, plus a capita amount for each county or tribe. + }

SECTION 13. { + (1) For the fiscal years beginning July 1 2003, through July 1, 2011, the office of the Secretary of S

under the direction of the Trust for Cultural Development Bo shall make Community Cultural Participation Grants under sec 11 of this 2001 Act to counties and Indian tribes to support cultural activities identified in the local cultural plans. funds received by a county or tribe shall be distributed loc as specified in the local cultural plan.

(2) A portion of the grant funds received each fiscal year county or tribe may be used for costs associated with grant management, community technical assistance and accounting.

(3) For the fiscal year beginning July 1, 2007, a portion each grant awarded to a county or tribe may be used:

(a) For revising local cultural plans;

(b) To articulate updated priorities in the local cultural plan; and

(c) For strategies to continue deepening and expanding participation in all facets of culture. + }

SECTION 14. { + (1) The office of the Secretary of State, under the direction of the Trust for Cultural Development Bo shall distribute the amount disbursed from the Trust for Cul Development Account under section 9 (3)(c) of this 2001 Act the core partner agencies as follows:

(a) The office of the Secretary of State shall allocate 20 percent of the amount disbursed under section 9 (3)(c) of th 2001 Act for joint efforts by the core partner agencies in fostering cooperative cultural projects, including but not limited to cultural education, cultural tourism and other cultural activities.

(b) The office of the Secretary of State shall allocate 80 percent of the amount disbursed under section 9 (3)(c) of th 2001 Act to the core partner agencies for the purposes descr in section 16 of this 2001 Act. The Trust for Cultural Development Board shall determine the amount or percent of available funds that each core partner agency shall receive this paragraph.

(2) The core partner agencies shall not be eligible to app for grants from the Community Cultural Participation Grant Program or the Cultural Development Grant Program. + }

SECTION 15. { + Notwithstanding section 14 (1)(b) of this Act, for the 2001-2003 biennium, the office of the Secretary State shall allocate 80 percent of the amount disbursed unde section 9 (3)(c) of this 2001 Act to the core partner agenci follows:

(1) One-third to the Oregon Arts Commission;

(2) One-third to the Oregon Council for the Humanities; an
(3) One-third to be divided among the Oregon Heritage Commission, the Oregon Historical Society and the State Hist Preservation Officer. + }

SECTION 16. { + (1) A core partner agency may use funds received under section 9 (3)(c) of this 2001 Act to:
(a) Carry out the mission and mandate of the agency;
(b) Serve more grantees; and
(c) Encourage new cultural undertakings.
(2) Each core partner agency shall expend a portion of the amount received under section 9 (3)(c) of this 2001 Act as determined by the Trust for Cultural Development Board each fiscal year to fund development of qualitative benchmarks an culture within Oregon. The evaluation of benchmarks may be d in partnership with one or more higher education institution Oregon. It is intended that this partnership will stimulate research and investigation of the ways in which culture and related cultural policy will impact the state over a 10-year period. + }

SECTION 17. { + Section 18 of this 2001 Act is added to a made a part of ORS chapter 315. + }

SECTION 18. { + (1) As used in this section, 'cultural organization' means an entity that is:
(a) Exempt from federal income tax under section 501(c)(3) the Internal Revenue Code; and
(b) Organized primarily for the purpose of producing, prom or presenting the arts, heritage, programs and humanities to public or organized primarily for identifying, documenting, interpreting and preserving cultural resources.
(2) A taxpayer shall be allowed a credit against the taxes otherwise due under ORS chapter 316 for amounts contributed during the tax year to the Trust for Cultural Development Ac established under ORS 285A.216.
(3) A taxpayer that is a corporation shall be allowed a cr against the taxes otherwise due under ORS chapter 317 or 318 amounts contributed during the tax year to the Trust for Cul Development Account established under ORS 285A.216.
(4) The credit is allowable under this section only to the extent the taxpayer has contributed an equal amount to an Or cultural organization during the tax year.
(5) The amount of the credit shall equal 100 percent of th amount contributed to the Trust for Cultural Development Acc but may not exceed the lesser of the tax liability of the:

(a) Taxpayer under ORS chapter 316 for the tax year or $50
(b) Taxpayer that is a corporation under ORS chapter 317 o for the tax year or $2,500.
(6) The credit allowed under this section may not be carri over to another tax year.
(7) The credit allowed under this section is in addition t charitable contribution deduction allowable to the taxpayer.
(8) In the case of a credit allowed under this section for purposes of ORS chapter 316:
(a) A nonresident shall be allowed the credit under this section in the proportion provided in ORS 316.117.
(b) If a change in the status of a taxpayer from resident nonresident or from nonresident to resident occurs, the cred allowed under this section shall be determined in a manner consistent with ORS 316.117.
(c) A husband and wife who file separate returns for a tax year may each claim a share of the tax credit that would hav been allowed on a joint return in proportion to the contribu of each.
(d) If a change in the taxable year of a taxpayer occurs a described in ORS 314.085, or if the Department of Revenue terminates the taxpayer's taxable year under ORS 314.440, th credit allowed under this section shall be prorated or compu in a manner consistent with ORS 314.085. + }
SECTION 19. { + Section 18 of this 2001 Act applies to ta years beginning on or after January 1, 2002, and before Janu 1, 2013. + }
SECTION 19a. { + Notwithstanding section 19 of this 2001 for a tax year beginning on or after January 1, 2002, and be January 1, 2003, a credit may be allowed under section 18 of 2001 Act only if the contribution on which the credit is bas made on or after December 1, 2002. + }
SECTION 20. { + Sections 21 and 22 of this 2001 Act are a to and made a part of the Oregon Vehicle Code. + }
SECTION 21. { + (1) The Department of Transportation shal establish a cultural registration plate program to issue spe registration plates called 'cultural registration plates' up request to owners of motor homes, travel trailers and motor vehicles registered under the provisions of ORS 803.420 (1) observe the importance of culture to Oregon. In addition, th department may adopt rules for issuance of cultural registra plates for vehicles not registered under the provisions of O 803.420 (1).

(2) In addition to any other fee authorized by law, for ea cultural registration plate issued under subsection (1) of t section, the department shall collect a surcharge of $15 pay when the plate is issued and upon each subsequent renewal of registration of a vehicle bearing the plate. The department distribute the surcharge as provided in section 22 of this 2 Act.

(3) Notwithstanding ORS 803.530, cultural registration pla may be transferred from vehicle to vehicle if the department stops issuing the plates as long as the plates are not so ol damaged, mutilated or otherwise rendered illegible as to be useful for purposes of identification.

(4) The department, in consultation with the Trust for Cul Development Board, shall design the cultural registration pl The plates shall meet the requirements for registration plat described in ORS 803.535. + }

SECTION 22. { + (1) After deduction of the cost of administration of the cultural registration plate program, m from the surcharge imposed by section 21 of this 2001 Act sh be transferred and appropriated to the Trust for Cultural Development Account established under ORS 285A.216.

(2) As used in this section, 'the cost of administration o cultural registration plate program' is the sum of all Depar of Transportation expenses for the issuance or transfer of cultural registration plates under section 21 of this 2001 A that are above the normal costs of issuing, renewing and transferring registration plates in the normal course of the business of the department. These expenses include, but are limited to, the costs of collecting the cultural registratio plate surcharge and transferring cultural registration plates. + }

SECTION 23. { + If House Bill 3882 becomes law:

(1) If the Department of Transportation determines there a sufficient moneys in the Department of Transportation Operat Fund from taxes described in section 1 (2)(a), chapter ___, Oregon Laws 2001 (Enrolled House Bill 3882), for the bienniu beginning July 1, 2001, the department may use up to $100,00 from the taxes described in section 1 (2)(a), chapter ___, O Laws 2001 (Enrolled House Bill 3882), that have been deposit the Department of Transportation Operating Fund, for the pur of initiating the cultural registration plate program establ in section 21 of this 2001 Act, including but not limited to cultural registration plate design, computer programming and

cultural registration plate production setup.

(2) Notwithstanding section 22 of this 2001 Act, after deduction of the cost of administration of the cultural registration plate program, the department shall transfer th moneys from the surcharge imposed by section 21 of this 2001 to an account in the General Fund until sufficient funds hav accumulated for the purpose of subsection (3) of this sectio

(3) When the department determines that moneys in sufficie amount are available in the account described in subsection of this section, but in no event later than June 30, 2003, t department shall reimburse the Department of Transportation Operating Fund, without interest, in an amount equal to the amount used by the department from the Department of Transportation Operating Fund under subsection (1) of this section. The moneys used to reimburse the Department of Transportation Operating Fund under this subsection may not considered as a budget item on which a limitation is otherwi fixed by law, but shall be in addition to any specific bienn appropriations or amounts authorized to be expended from continually appropriated moneys for any biennial period.

(4) Any moneys remaining in the account described in subse (2) of this section after the reimbursement required under subsection (3) of this section shall be transferred and appropriated to the Trust for Cultural Development Account a provided in section 22 of this 2001 Act. + } { + + }

SECTION 24. { + In addition to and not in lieu of any oth appropriation, there is appropriated to the Secretary of Sta for the biennium beginning July 1, 2001, out of the General the amount of $100,000, which may be expended for the start- costs associated with the Trust for Cultural Development Acc under sections 3 to 16 of this 2001 Act. + }

SECTION 25. ORS 293.701, as amended by section 67, chapter 1078, Oregon Laws 1999, is amended to read:

293.701. As used in ORS 293.701 to 293.820, unless the con requires otherwise:

(1) 'Council' means the Oregon Investment Council.

(2) 'Investment funds' means:

(a) Public Employees Retirement Fund referred to in ORS 238.660;

(b) Industrial Accident Fund referred to in ORS 656.632;

(c) Consumer and Business Services Fund referred to in ORS 705.145;

(d) Employment Department Special Administrative Fund refe

to in ORS 657.822;
(e) Insurance Fund referred to in ORS 278.425;
(f) Funds under the control and administration of the Divi of State Lands;
(g) Oregon Student Assistance Fund referred to in ORS 348.
(h) Moneys made available to the Commission for the Blind ORS 346.270 and 346.540 or rules adopted thereunder;
(i) Forest rehabilitation bonds sinking fund referred to i 530.280;
(j) Oregon War Veterans' Fund referred to in ORS 407.495;
(k) Oregon War Veterans' Bond Sinking Account referred to ORS 407.515;
(L) World War II Veterans' Compensation Fund;
(m) World War II Veterans' Bond Sinking Fund;
(n) Savings and loan association funds in the hands of the Director of the Department of Consumer and Business Services
(o) Funds in the hands of the State Treasurer that are not required to meet current demands;
(p) State funds that are not subject to the control and administration of officers or bodies specifically designated law;
(q) Funds derived from the sale of state bonds;
(r) Social Security Revolving Account referred to in ORS 237.490;
(s) Investment funds of the State Board of Higher Educatio lawfully available for investment or reinvestment;
(t) Local Government Employer Benefit Trust Fund referred ORS 657.513;
(u) Elderly and Disabled Special Transportation Fund established by ORS 391.800;
(v) Oregon Resource and Technology Development Account established by ORS 284.630;
(w) Education Endowment Fund established by ORS 348.696;
{ - and - }
(x) Deferred Compensation Fund established under ORS 243.411 { + ; and
(y) Trust for Cultural Development Account established und ORS 285A.216 + }.
(3) 'Investment officer' means the State Treasurer in the capacity as investment officer for the council.
SECTION 26. { + (1) The Department of Corrections shall w with the Oregon Department of Administrative Services and ot interested parties to develop a plan for the sale of between

and 400 acres of the real property owned by the Department o Corrections and described in the report 'Mill Creek District Master Plan for the Corrections Farm Property, Salem, Oregon published June 30, 1999.

(2) In addition to the real property identified under subsection (1) of this section, the Department of Correction shall identify approximately 200 acres described in the repo The real property identified under this subsection may be retained by the Department of Corrections for the purpose of leasing to or may be sold to the Department of Public Safety Standards and Training.

(3)(a) Prior to January 31, 2002, the Department of Correc shall report to the Emergency Board about the progress in developing the plan and identifying the real property descri in subsections (1) and (2) of this section.

(b) Prior to January 8, 2003, the Department of Correction shall report to the Emergency Board about the plan. The repo shall include a description of the real property identified sale under subsections (1) and (2) of this section.

(c) After reporting to the Emergency Board, the Department Corrections shall:

(A) Transfer the real property identified in subsection (1 this section to the Oregon Department of Administrative Serv to be sold for the benefit of the Trust for Cultural Develop Account established in ORS 285A.216;

(B) Transfer any real property identified in subsection (2 this section that is to be sold to the Department of Public Safety Standards and Training to the Oregon Department of Administrative Services to be sold and the proceeds distribu as provided in subsection (4)(d) of this section; and

(C) Transfer any real property identified in subsection (2 this section that is not retained to be leased to or that wi not be sold to the Department of Public Safety Standards and Training to the Oregon Department of Administrative Services

be sold and the proceeds distributed as provided in subsecti (4)(d) of this section.

(4)(a) Notwithstanding ORS 270.100 to 270.190, the Oregon Department of Administrative Services shall sell or otherwis convey the real property transferred under subsection (3) of section in a manner consistent with the provisions of this section. Conveyance may not include transfer to a state agen except as provided in this section. The Oregon Department of

Administrative Services shall engage the services of a licen real estate broker or real estate organization to facilitate sale of the real property.

(b)(A) The sale price of the real property transferred und subsection (3)(c)(A) or (C) of this section shall equal or e the fair market value of the real property.

(B) The sale price of the real property transferred under subsection (3)(c)(B) of this section shall be determined by Oregon Department of Administrative Services.

(c) The Oregon Department of Administrative Services may s any portion of the approximately 200 acres of the real prope identified in subsection (2) of this section to the Departme Public Safety Standards and Training for the purpose of siti law enforcement training facility.

(d) The Oregon Department of Administrative Services shall retain from the sale or other conveyance of the real propert under this subsection those costs incurred by the state in selling or conveying the real property, including costs incu by the Department of Corrections in transferring the real property to the Oregon Department of Administrative Services costs incurred by the Oregon Department of Administrative Services in selling any portion of the real property to the Department of Public Safety Standards and Training. The rema proceeds from the sale shall be transferred as follows:

(A) 100 percent of the remaining proceeds from the sale of real property identified in subsection (1) of this section t Trust for Cultural Development Account;

(B) 50 percent of the remaining proceeds from the sale of real property identified in subsection (2) of this section t Trust for Cultural Development Account; and

(C) 50 percent of the remaining proceeds from the sale of real property identified in subsection (2) of this section t Department of Corrections to be used for capital improvement capital construction projects. + }

SECTION 27. ORS 273.384 is amended to read:

273.384. (1) The Space Age Industrial Park shall be manage administered by the Director of the Oregon Department of Administrative Services.

(2) Notwithstanding the provisions of any law, all net inc and other net proceeds derived from the rental, lease, sale, disposition or use of the Space Age Industrial Park (after payment of all costs and expenses incident to the maintenanc administration of the Space Age Industrial Park and costs

incident to any sale or other disposition thereof) shall be deposited in the State Treasury and credited to the { - Ge Fund to be available for general governmental expenses - } Trust for Cultural Development Account established in ORS 285A.216 + }.

SECTION 28. { + If the Space Age Industrial Park is sold more than $1 million from the proceeds of the sale is deposi in the Trust for Cultural Development Account prior to Janua 2003, there is allocated to the Emergency Board, for the bie beginning July 1, 2001, out of the Trust for Cultural Develo Account, the amount of $1 million, which may be allocated by Emergency Board for specified uses in Morrow County. + }

SECTION 29. ORS 270.150 is amended to read:

270.150. (1) The proceeds, less costs, of any real propert sold by the Oregon Department of Administrative Services und ORS 270.100, 270.110 and 270.130 { - shall - } { + may + credited to and deposited in the Capital Projects Fund established by ORS 276.005 { + or the Trust for Cultural Development Account established in ORS 285A.216 + }.

{ + (2) The proceeds of any real property sold by a stat agency under ORS 270.100 and 270.110 may be credited to and deposited in the Trust for Cultural Development Account. If proceeds are credited to and deposited in the account, a sta agency may retain from the proceeds the costs of selling the property and the amount originally paid by the state agency the state agency acquired the real property. + }

{ - (2) - } { + (3) + } The revenue from the rental or lease of surplus real property managed by the department sha deposited in the State Treasury to the credit of the operati fund established by ORS 283.076.

{ - (3) - } { + (4) + } Notwithstanding the provisions subsection (1) { + or (2) + } of this section, an agency ma negotiate with the department to apply the proceeds of a sal transfer or lease of such surplus real property to another capital acquisition of that agency.

SECTION 30. { + The amendments to ORS 270.150 by section this 2001 Act first apply to real property sold on or after effective date of this 2001 Act. + }

SECTION 31. ORS 426.506 is amended to read:

426.506. (1) There is created in the State Treasury, separ and distinct from the General Fund, the Community Mental Hea Housing Fund. All earnings on investments of moneys in the Community Mental Health Housing Fund shall accrue to the fun

Interest earned on moneys in the fund shall be credited to t fund. All moneys in the fund are continuously appropriated t Mental Health and Developmental Disability Services Division carry out the provisions of ORS 426.504.

(2) The Community Mental Health Housing Fund shall be administered by the division to provide housing for chronica mentally ill persons. As used in this subsection, 'housing' include acquisition, maintenance, repair, furnishings and equipment.

(3)(a) There is established within the Community Mental He Housing Fund a Community Housing Trust Account. Notwithstan the provisions of ORS 270.150 { - (1) and (3) - } , the division shall deposit into the account the proceeds, less c to the state, received by the division from the sale of F. H Dammasch State Hospital property under ORS 426.508. The divi may expend, for the purposes set forth in ORS 426.504, any earnings credited to the account, including any interest ear on moneys deposited in the account, and up to five percent o sale proceeds initially credited to the account by the Orego Department of Administrative Services. At least 95 percent o sale proceeds shall remain in the account in perpetuity. Pro deposited in the account may not be commingled with proceeds the sale of any surplus real property owned, operated or controlled by the division and used as a state training cent

(b) Interest earned on moneys in the Community Housing Tru Account may be expended in the following manner:

(A) Seventy percent of interest earned on deposits in the account shall be expended for community housing purposes; an

(B) Thirty percent of interest earned on deposits in the account shall be expended for institutional housing purposes

(c) Interest earned on deposits in the account shall not b used to support operating expenses of the division.

(4) The Community Mental Health Housing Fund shall consist

(a) Moneys appropriated to the fund by the Legislative Assembly;

(b) Sale proceeds and earnings from the account under subsection (3) of this section;

(c) Proceeds from the sale, transfer or lease of any surpl real property owned, operated or controlled by the division used as community housing;

(d) Moneys reallocated from other areas of the division's budget;

(e) Interest and earnings credited to the fund; and

(f) Gifts of money or other property from any source, to b used for the purposes of developing housing for chronically mentally ill persons.

(5) The division shall adopt policies:

(a) To establish priorities for the use of moneys in the Community Mental Health Housing Fund for the sole purpose of developing housing for chronically mentally ill persons;

(b) To match public and private moneys available from othe sources for developing housing for chronically mentally ill persons; and

(c) To administer the fund in a manner that will not excee State Treasury's maximum cost per transaction.

(6) The division shall collaborate with the Housing and Community Services Department to ensure the highest return a best value for community housing from the Community Mental H Housing Fund.

(7) The division shall provide a report of revenues to and expenditures from the Community Mental Health Housing Fund a part of its budget submission to the Governor and Legislativ Assembly under ORS chapter 291.

SECTION 32. ORS 427.340 is amended to read:

427.340. (1) There is established a Developmental Disabili Community Housing Fund in the State Treasury, separate and distinct from the General Fund. All moneys in the fund are continuously appropriated to the Mental Health and Developme Disability Services Division to pay expenses incurred by the division in carrying out the provisions of ORS 427.330 and 427.335. Interest earned on moneys in the fund shall be cred to the fund.

(2) There is established within the fund a Community Housi Trust Account. Notwithstanding the provisions of ORS 270.150 { - (1) and (3) - } , the division shall negotiate with the Oregon Department of Administrative Services to apply the proceeds from the sale, transfer or lease of any surplus rea property owned, operated or controlled by the division and u as a state training center to the account. The division may expend, for the purposes of ORS 427.330 to 427.345, any earn credited to the account, including any income from the lease surplus property and any interest earned on moneys deposited the account, and up to five percent of any sale or transfer proceeds initially credited to the account by the Oregon Department of Administrative Services. At least 95 percent o

sale or transfer proceeds shall remain in the account in perpetuity.

(3) The fund shall consist of:

(a) Moneys appropriated to the fund by the Legislative Assembly;

(b) Repayment of financial assistance provided to housing providers or care providers for community housing under ORS 427.335 (3);

(c) Proceeds from the account under subsection (2) of this section;

(d) Moneys reallocated from other areas of the division's budget; and

(e) Interest credited to the fund.

(4) The division shall provide a report of revenues to and expenditures from the fund as part of its budget submission the Governor and Legislative Assembly under ORS chapter 291.

SECTION 33. { + This 2001 Act takes effect on the 91st da after the date on which the regular session of the Seventy-f Legislative Assembly adjourns sine die. + }