

Enrolled
House Bill 3502

Sponsored by SPECIAL COMMITTEE ON BUDGET

CHAPTER

AN ACT

Relating to the state fair; creating new provisions; amending ORS 244.050, 279A.025, 291.055, 307.110, 390.134, 462.073, 462.125, 462.140, 565.010, 565.030, 565.040, 565.050, 565.060, 565.080, 565.090, 565.095, 565.103, 565.107, 565.109, 565.114, 565.116, 565.120, 565.130, 565.140, 565.150, 565.160, 565.170, 565.610, 565.620, 565.630 and 565.640; repealing ORS 565.015, 565.020, 565.070, 565.112 and 565.423; appropriating money; and declaring an emergency.

Whereas the Oregon State Fair is a gathering place for Oregonians, providing unique and valuable resources for Oregonians; and

Whereas the Oregon State Fair promotes valuable youth activities; and

Whereas the Oregon State Fair benefits Oregon's rich natural resources, highlights scientific, cultural and historic achievements and promotes the products, industries, commerce and economic and social life of the state; and

Whereas the policy of the state toward outdoor recreation resources is to encourage, through the State Parks and Recreation Department, outdoor activities such as festivals, fairs and events relating to music, dance, drama, art and sports; now, therefore,

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

SECTION 1. (1) The Oregon State Fair and Exposition Center, the Oregon State Fair Commission and the position of Director of the Oregon State Fair and Exposition Center are abolished. On the operative date of this section, the tenure of office of the members of the Oregon State Fair Commission and of the Director of the Oregon State Fair and Exposition Center ceases.

(2) All the duties, functions and powers of the Oregon State Fair and Exposition Center, the Oregon State Fair Commission, the Director of the Oregon State Fair and Exposition Center and the Oregon State Fair are imposed upon, transferred to and vested in the State Parks and Recreation Department.

SECTION 2. (1) The Director of the Oregon State Fair and Exposition Center shall:

(a) Deliver to the State Parks and Recreation Department all records and property within the jurisdiction of the director that relate to the duties, functions and powers transferred by section 1 of this 2005 Act; and

(b) Transfer to the State Parks and Recreation Department those employees engaged primarily in the exercise of the duties, functions and powers transferred by section 1 of this 2005 Act.

(2) The State Parks and Recreation Director 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 1 of this 2005 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 Oregon State Fair and Exposition Center and the State Parks and Recreation Department relating to transfers of records, property and employees under this section, and the Governor's decision is final.

SECTION 3. (1) The unexpended balances of amounts authorized to be expended by the Oregon State Fair and Exposition Center for the biennium beginning July 1, 2005, 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 1 of this 2005 Act are appropriated and transferred to and are available for expenditure by the State Parks and Recreation Department for the biennium beginning July 1, 2005, for the purpose of administering and enforcing the duties, functions and powers transferred by section 1 of this 2005 Act.

(2) The expenditure classifications, if any, established by Acts authorizing or limiting expenditures by the Oregon State Fair and Exposition Center remain applicable to expenditures by the State Parks and Recreation Department under this section.

SECTION 4. The transfer of duties, functions and powers to the State Parks and Recreation Department by section 1 of this 2005 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 State Parks and Recreation Department is substituted for the Oregon State Fair and Exposition Center in the action, proceeding or prosecution.

SECTION 5. (1) Nothing in sections 1 to 10 of this 2005 Act relieves a person of a liability, duty or obligation accruing under or with respect to the duties, functions and powers transferred by section 1 of this 2005 Act. The State Parks and Recreation Department may undertake the collection or enforcement of any such liability, duty or obligation.

(2) The rights and obligations of the Oregon State Fair and Exposition Center legally incurred under contracts, leases and business transactions executed, entered into or begun before the operative date of section 1 of this 2005 Act are transferred to the State Parks and Recreation Department. For the purpose of succession to these rights and obligations, the State Parks and Recreation Department is a continuation of the Oregon State Fair and Exposition Center and not a new authority.

SECTION 6. Notwithstanding the transfer of duties, functions and powers by section 1 of this 2005 Act, the rules of the Oregon State Fair and Exposition Center in effect on the operative date of section 1 of this 2005 Act continue in effect until superseded or repealed by rules of the State Parks and Recreation Department. References in rules of the Oregon State Fair and Exposition Center to the Oregon State Fair and Exposition Center or an officer or employee of the Oregon State Fair and Exposition Center are considered to be references to the State Parks and Recreation Department or an officer or employee of the State Parks and Recreation Department.

SECTION 7. Whenever, in any uncodified law or resolution of the Legislative Assembly or in any rule, document, record or proceeding authorized by the Legislative Assembly, reference is made to the Oregon State Fair and Exposition Center or an officer or employee of the Oregon State Fair and Exposition Center, the reference is considered to be a reference to the State Parks and Recreation Department or an officer or employee of the State Parks and Recreation Department.

SECTION 8. The State Parks and Recreation Director may take any action before the operative date of section 1 of this 2005 Act that is necessary to enable the director to exercise, on and after the operative date of section 1 of this 2005 Act, the duties, functions and powers of the director pursuant to section 1 of this 2005 Act.

SECTION 9. For the purpose of harmonizing and clarifying statute sections published in Oregon Revised Statutes, the Legislative Counsel may substitute for words designating the

“Oregon State Fair and Exposition Center” or its officers, wherever they occur in Oregon Revised Statutes, words designating the “State Parks and Recreation Department” or its officers.

SECTION 10. For the purpose of harmonizing and clarifying statute sections published in Oregon Revised Statutes, the Legislative Counsel may substitute for words designating the “Oregon State Fair and Exposition Center Account,” wherever they occur in Oregon Revised Statutes, words designating the “Oregon State Fair Account.”

SECTION 11. Except as otherwise specifically provided in section 8 of this 2005 Act, sections 1 to 10 of this 2005 Act and the amendments to ORS 565.107, 565.109 and 565.114 by sections 31 to 33 of this 2005 Act become operative on January 1, 2006.

SECTION 12. (1) The State Parks and Recreation Director shall appoint a State Fair Advisory Committee to provide advice and assistance to the director on matters regarding the operation of the Oregon State Fair.

(2) The advisory committee shall consist of seven members appointed by the director for four-year terms. The director shall appoint:

(a) A resident from each congressional district of Oregon. The director shall seek to ensure that those persons reflect a broad-based representation of the industrial, educational and cultural interests active in state fair activities, such as agricultural, stock raising, horticultural, mining, mechanical, artistic and industrial pursuits.

(b) Two persons to represent county fair interests. The director may give consideration to nominations suggested by the County Fair Commission established under ORS 565.410.

(3) The members of the advisory committee serve at the pleasure of the director. The director may fill a vacancy on the advisory committee by appointing a person to fill the unexpired term.

(4) Each member of the advisory committee is entitled to compensation and reimbursement of expenses, as provided in ORS 292.495, from moneys appropriated to the State Parks and Recreation Department for that purpose.

(5) The advisory committee shall select one of its members as chairperson and another as vice chairperson, for such terms and with such duties and powers necessary for the performance of the functions of those offices as the advisory committee determines appropriate.

(6) The advisory committee shall meet at the call of the director.

SECTION 13. Notwithstanding the terms of office for members of the State Fair Advisory Committee specified in section 12 of this 2005 Act, the State Parks and Recreation Director may stagger the terms of office of the members of the advisory committee to ensure that the terms of office do not expire at the same time.

SECTION 14. ORS 244.050 is amended to read:

244.050. (1) On or before April 15 of each year the following persons shall file with the Oregon Government Standards and Practices Commission a verified statement of economic interest as required under this chapter:

(a) The Governor, Secretary of State, State Treasurer, Attorney General, Commissioner of the Bureau of Labor and Industries, Superintendent of Public Instruction, district attorneys and members of the Legislative Assembly.

(b) Any judicial officer, including justices of the peace and municipal judges, except municipal judges in those cities where a majority of the votes cast in the subject city in the 1974 general election was in opposition to the ballot measure provided for in section 10, chapter 68, Oregon Laws 1974 (special session), and except any pro tem judicial officer who does not otherwise serve as a judicial officer.

(c) Any candidate for an office designated in paragraph (a) or (b) of this subsection.

(d) The Deputy Attorney General.

(e) The Legislative Administrator, the Legislative Counsel, the Legislative Fiscal Officer, the Secretary of the Senate and the Chief Clerk of the House of Representatives.

(f) The Chancellor and Vice Chancellors of the Oregon University System and the president and vice presidents, or their administrative equivalents, in each institution under the jurisdiction of the State Board of Higher Education.

(g) The following state officers:

(A) Adjutant General.

(B) Director of Agriculture.

(C) Manager of State Accident Insurance Fund Corporation.

(D) Water Resources Director.

(E) Director of Department of Environmental Quality.

(F) Director of Oregon Department of Administrative Services.

[(G) *Director of the Oregon State Fair and Exposition Center.*]

[(H)] (G) State Fish and Wildlife Director.

[(I)] (H) State Forester.

[(J)] (I) State Geologist.

[(K)] (J) Director of Human Services.

[(L)] (K) Director of the Department of Consumer and Business Services.

[(M)] (L) Director of the Department of State Lands.

[(N)] (M) State Librarian.

[(O)] (N) Administrator of Oregon Liquor Control Commission.

[(P)] (O) Superintendent of State Police.

[(Q)] (P) Director of the Public Employees Retirement System.

[(R)] (Q) Director of Department of Revenue.

[(S)] (R) Director of Transportation.

[(T)] (S) Public Utility Commissioner.

[(U)] (T) Director of Veterans' Affairs.

[(V)] (U) Executive Director of Oregon Government Standards and Practices Commission.

[(W)] (V) Director of the State Department of Energy.

[(X)] (W) Director and each assistant director of the Oregon State Lottery.

(h) Any assistant in the Governor's office other than personal secretaries and clerical personnel.

(i) Every elected city or county official except elected officials in those cities or counties where a majority of votes cast in the subject city or county in any election on the issue of filing statements of economic interest under this chapter was in opposition.

(j) Every member of a city or county planning, zoning or development commission except such members in those cities or counties where a majority of votes cast in the subject city or county at any election on the issue of filing statements of economic interest under this chapter was in opposition to the ballot measure provided for in section 10, chapter 68, Oregon Laws 1974 (special session).

(k) The chief executive officer of a city or county who performs the duties of manager or principal administrator of the city or county except such employees in those cities or counties where a majority of votes cast in the subject city or county in an election on the issue of filing statements of economic interest under this chapter was in opposition.

(L) Members of local government boundary commissions formed under ORS 199.410 to 199.519.

(m) Every member of a governing body of a metropolitan service district and the executive officer thereof.

(n) Each member of the board of directors of the State Accident Insurance Fund Corporation.

(o) The chief administrative officer and the financial officer of each common and union high school district, education service district and community college district.

(p) Every member of the following state boards and commissions:

(A) Capitol Planning Commission.

(B) Board of Geologic and Mineral Industries.

(C) Oregon Economic and Community Development Commission.

(D) State Board of Education.

- (E) Environmental Quality Commission.
- (F) Fish and Wildlife Commission of the State of Oregon.
- (G) State Board of Forestry.
- (H) Oregon Government Standards and Practices Commission.
- (I) Oregon Health Policy Commission.
- (J) State Board of Higher Education.
- (K) Oregon Investment Council.
- (L) Land Conservation and Development Commission.
- (M) Oregon Liquor Control Commission.
- (N) Oregon Short Term Fund Board.
- (O) State Marine Board.
- (P) Mass transit district boards.
- (Q) Energy Facility Siting Council.
- (R) Board of Commissioners of the Port of Portland.
- (S) Employment Relations Board.
- (T) Public Employees Retirement Board.
- (U) Oregon Racing Commission.
- (V) Oregon Transportation Commission.
- (W) Wage and Hour Commission.
- (X) Water Resources Commission.
- (Y) Workers' Compensation Board.
- (Z) Oregon Facilities Authority.
- (AA) Oregon State Lottery Commission.
- (BB) Pacific Northwest Electric Power and Conservation Planning Council.
- (CC) Columbia River Gorge Commission.
- (DD) Oregon Health and Science University Board of Directors.
- (q) The following officers of the State Treasury:
 - (A) Chief Deputy State Treasurer.
 - (B) Executive Assistant to the State Treasurer.
 - (C) Director of the Investment Division.

(r) Every member of the board of commissioners of a port governed by ORS 777.005 to 777.725 and 777.915 to 777.953.

(2) By April 15 next after the date an appointment takes effect, every appointed public official on a board or commission listed in subsection (1) of this section shall file with the commission a statement of economic interest as required under ORS 244.060, 244.070 and 244.090.

(3) By April 15 next after the filing date for the primary election, each candidate for elective public office described in subsection (1) of this section shall file with the commission a statement of economic interest as required under ORS 244.060, 244.070 and 244.090.

(4) Within 30 days after the filing date for the general election, each candidate for elective public office described in subsection (1) of this section who was not a candidate in the preceding primary election shall file with the commission a statement of economic interest as required under ORS 244.060, 244.070 and 244.090.

(5) The Legislative Assembly shall maintain a continuing review of the operation of this chapter and from time to time may add to or delete from the list of boards and commissions in subsections (1) to (3) of this section as in the judgment of the Legislative Assembly is consistent with the purposes of this chapter.

(6) Subsections (1) to (5) of this section apply only to persons who are incumbent, elected or appointed officials as of April 15 and to persons who are candidates for office on April 15. Those sections also apply to persons who do not become candidates until 30 days after the filing date for the statewide general election.

(7)(a) Failure to file the statement required by this section subjects a person to a civil penalty that may be imposed as specified in ORS 183.745, but the enforcement of this subsection does not

require the Oregon Government Standards and Practices Commission to follow the procedures in ORS 244.260 before finding that a violation of this section has occurred.

(b) Failure to file the required statement in timely fashion shall be prima facie evidence of a violation of this section.

(c) If within five days after the date on which the statement is to be filed under this section the statement has not been received by the commission, the commission shall notify the public official and give the public official not less than 15 days to comply with the requirements of this section. If the public official fails to comply by the date set by the commission, the commission may impose a civil penalty of \$5 for each day the statement is late beyond the date fixed by the commission. The maximum penalty that may be accrued under this section is \$1,000.

(d) A civil penalty imposed under this subsection is in addition to and not in lieu of sanctions that may be imposed under ORS 244.380.

SECTION 15. ORS 279A.025 is amended to read:

279A.025. (1) Except as provided in subsections (2) to (4) of this section, the Public Contracting Code applies to all public contracting.

(2) The Public Contracting Code does not apply to:

(a) Contracts between contracting agencies or between contracting agencies and the federal government;

(b) Insurance and service contracts as provided for under ORS 414.115, 414.125, 414.135 and 414.145 for purposes of source selection;

(c) Grants;

(d) Contracts for professional or expert witnesses or consultants to provide services or testimony relating to existing or potential litigation or legal matters in which a public body is or may become interested;

(e) Acquisitions or disposals of real property or interest in real property;

(f) Sole-source expenditures when rates are set by law or ordinance for purposes of source selection;

(g) Contracts for the procurement or distribution of textbooks;

(h) Procurements by a contracting agency from an Oregon Corrections Enterprises program;

(i) The procurement, transportation or distribution of distilled liquor, as defined in ORS 471.001, or the appointment of agents under ORS 471.750 by the Oregon Liquor Control Commission;

(j) Contracts entered into under ORS chapter 180 between the Attorney General and private counsel or special legal assistants;

(k) Contracts for the sale of forest products, as defined in ORS 321.005, from lands owned or managed by the State Board of Forestry and the State Forestry Department;

(L) Contracts for forest protection or forest related activities, as described in ORS 477.406, by the State Forester or the State Board of Forestry;

(m) Sponsorship agreements entered into by the **State Parks and Recreation** Director [*of the Oregon State Fair and Exposition Center*] in accordance with ORS 565.080 (4);

(n) Contracts entered into by the Housing and Community Services Department in exercising the department's duties prescribed in ORS chapters 456 and 458, except that the department's public contracting for goods and services, as defined in ORS 279B.005, is subject to ORS chapter 279B;

(o) Contracts entered into by the State Treasurer in exercising the powers of that office prescribed in ORS chapters 178, 286, 287, 288, 289, 293, 294 and 295, including but not limited to investment contracts and agreements, banking services, clearing house services and collateralization agreements, bond documents, certificates of participation and other debt repayment agreements, and any associated contracts, agreements and documents, regardless of whether the obligations that the contracts, agreements or documents establish are general, special or limited, except that the State Treasurer's public contracting for goods and services, as defined in ORS 279B.005, is subject to ORS chapter 279B;

(p) Energy savings performance contracts;

(q) Contracts, agreements or other documents entered into, issued or established in connection with:

(A) The incurring of debt by a public body, including but not limited to the issuance of bonds, certificates of participation and other debt repayment obligations, and any associated contracts, agreements or other documents, regardless of whether the obligations that the contracts, agreements or other documents establish are general, special or limited;

(B) The making of program loans and similar extensions or advances of funds, aid or assistance by a public body to a public or private body for the purpose of carrying out, promoting or sustaining activities or programs authorized by law; or

(C) The investment of funds by a public body as authorized by law, and other financial transactions of a public body that by their character cannot practically be established under the competitive contractor selection procedures of ORS 279B.050 to 279B.085;

(r) Contracts for employee benefit plans as provided in ORS 243.105 (1), 243.125 (4), 243.221, 243.275, 243.291, 243.303 and 243.565; or

(s) Any other public contracting of a public body specifically exempted from the code by another provision of law.

(3) The Public Contracting Code does not apply to the public contracting activities of:

(a) The Oregon State Lottery Commission;

(b) The Oregon University System and member institutions, except as provided in ORS 351.086;

(c) The legislative department;

(d) The judicial department;

(e) Semi-independent state agencies listed in ORS 182.451, 182.452 and 182.454, except as provided in ORS 279.835 to 279.855 and 279A.250 to 279A.290;

(f) Oregon Corrections Enterprises;

(g) The Oregon Film and Video Office, except as provided in ORS 279A.100 and 279A.250 to 279A.290;

(h) The Travel Information Council, except as provided in ORS 279A.250 to 279A.290;

(i) The Appraiser Certification and Licensure Board, except as provided in ORS 279.835 to 279.855 and 279A.250 to 279A.290; or

(j) Any other public body specifically exempted from the code by another provision of law.

(4) ORS 279A.200 to 279A.225 and 279B.050 to 279B.085 do not apply to contracts made with qualified nonprofit agencies providing employment opportunities for disabled individuals under ORS 279.835 to 279.855.

SECTION 16. ORS 291.055 is amended to read:

291.055. (1) Notwithstanding any other law that grants to a state agency the authority to establish fees, all new state agency fees or fee increases adopted after July 1 of any odd-numbered year:

(a) Are not effective for agencies in the executive department of government unless approved in writing by the Director of the Oregon Department of Administrative Services;

(b) Are not effective for agencies in the judicial department of government unless approved in writing by the Chief Justice of the Supreme Court;

(c) Are not effective for agencies in the legislative department of government unless approved in writing by the President of the Senate and the Speaker of the House of Representatives;

(d) Shall be reported by the state agency to the Oregon Department of Administrative Services within 10 days of their adoption; and

(e) Are rescinded on July 1 of the next following odd-numbered year, or on adjournment sine die of the regular session of the Legislative Assembly meeting in that year, whichever is later, unless otherwise authorized by enabling legislation setting forth the approved fees.

(2) This section does not apply to:

(a) Any tuition or fees charged by the State Board of Higher Education and state institutions of higher education.

(b) Taxes or other payments made or collected from employers for unemployment insurance required by ORS chapter 657 or premium assessments required by ORS 656.612 and 656.614 or contributions and assessments calculated by cents per hour for workers' compensation coverage required by ORS 656.506.

(c) Fees or payments required for:

(A) Health care services provided by the Oregon Health and Science University, by the Oregon Veterans' Homes and by other state agencies and institutions pursuant to ORS 179.610 to 179.770.

(B) Assessments and premiums paid to the Oregon Medical Insurance Pool established by ORS 735.614 and 735.625.

(C) Copayments and premiums paid to the Oregon medical assistance program.

(d) Fees created or authorized by statute that have no established rate or amount but are calculated for each separate instance for each fee payer and the fee assessed is based on actual cost of services provided.

(e) State agency charges on employees for benefits and services.

(f) Any intergovernmental charges.

(g) Forest protection district assessment rates established by ORS 477.210 to 477.265 and the Oregon Forest Land Protection Fund fees established by ORS 477.760.

(h) State Department of Energy assessments required by ORS 469.421 (8) and 469.681.

(i) Any charges established by the [*Oregon State Fair and Exposition Center*] **State Parks and Recreation Director** in accordance with ORS 565.080 (3).

(j) Assessments on premiums charged by the Insurance Division of the Department of Consumer and Business Services pursuant to ORS 731.804 or fees charged by the Division of Finance and Corporate Securities of the Department of Consumer and Business Services to banks, trusts and credit unions pursuant to ORS 706.530 and 723.114.

(k) Public Utility Commission operating assessments required by ORS 756.310 or charges paid to the Residential Service Protection Fund required by chapter 290, Oregon Laws 1987.

(L) Fees charged by the Housing and Community Services Department for intellectual property pursuant to ORS 456.562.

(3)(a) Fees temporarily decreased for competitive or promotional reasons or because of unexpected and temporary revenue surpluses may be restored to their normal level if, at the time the fee is decreased, the state agency specifies the following:

(A) The reason for the fee decrease; and

(B) The conditions under which the fee will be restored to its normal level.

(b) Fees that are decreased for reasons other than those described in paragraph (a) of this subsection may not be subsequently increased except as allowed by ORS 291.050 to 291.060 and 294.160.

SECTION 17. ORS 307.110 is amended to read:

307.110. (1) Except as provided in ORS 307.120, all real and personal property of this state or any institution or department thereof or of any county or city, town or other municipal corporation or political subdivision of this state, held under a lease or other interest or estate less than a fee simple, by any person whose real property, if any, is taxable, except employees of the state, municipality or political subdivision as an incident to such employment, shall be subject to assessment and taxation for the assessed or specially assessed value thereof uniformly with real property of nonexempt ownerships.

(2) Each leased or rented premises not exempt under ORS 307.120 and subject to assessment and taxation under this section which is located on property used as an airport and owned by and serving a municipality or port shall be separately assessed and taxed.

(3) Nothing contained in this section shall be construed as subjecting to assessment and taxation any publicly owned property described in subsection (1) of this section that is:

(a) Leased for student housing by a school or college to students attending such a school or college.

(b) Leased to or rented by persons, other than sublessees or subrenters, for agricultural or grazing purposes and for other than a cash rental or a percentage of the crop.

(c) Utilized by persons under a land use permit issued by the Department of Transportation for which the department's use restrictions are such that only an administrative processing fee is able to be charged.

(d) County fairgrounds and the buildings thereon, in a county holding annual county fairs, managed by the county fair board under ORS 565.230, if utilized, in addition to county fair use, for any of the purposes described in ORS 565.230 (2), or for horse stalls or storage for recreational vehicles or farm machinery or equipment.

(e) The properties and grounds managed and operated by the [*Oregon State Fair and Exposition Center*] **State Parks and Recreation Director** under ORS [565.015] **565.080**, if utilized, in addition to the purpose of holding the Oregon State Fair, for horse stalls or for storage for recreational vehicles or farm machinery or equipment.

(f) State property that is used by the Oregon University System or the Oregon Health and Science University to provide parking for employees, students or visitors.

(g) Property of a housing authority created under ORS chapter 456 which is leased or rented to persons of lower income for housing pursuant to the public and governmental purposes of the housing authority. For purposes of this paragraph, "persons of lower income" has the meaning given the phrase under ORS 456.055.

(h) Property of a health district if:

(A) The property is leased or rented for the purpose of providing facilities for health care practitioners practicing within the county; and

(B) The county is a frontier rural practice county under rules adopted by the Office of Rural Health.

(4) Property determined to be an eligible project for tax exemption under ORS 285C.600 to 285C.620 and 307.123 that was acquired with revenue bonds issued under ORS 285B.320 to 285B.371 and that is leased by this state, any institution or department thereof or any county, city, town or other municipal corporation or political subdivision of this state to an eligible applicant shall be assessed and taxed in accordance with ORS 307.123. The property's continued eligibility for taxation and assessment under ORS 307.123 is not affected:

(a) If the eligible applicant retires the bonds prior to the original dates of maturity; or

(b) If any applicable lease or financial agreement is terminated prior to the original date of expiration.

(5) The provisions of law for liens and the payment and collection of taxes levied against real property of nonexempt ownerships shall apply to all real property subject to the provisions of this section. Taxes remaining unpaid upon the termination of a lease or other interest or estate less than a fee simple, shall remain a lien against the real or personal property.

(6) If the state enters into a lease of property with, or grants an interest or other estate less than a fee simple in property to, a person whose real property, if any, is taxable, then within 30 days after the date of the lease, or within 30 days after the date the interest or estate less than a fee simple is created, the state shall file a copy of the lease or other instrument creating or evidencing the interest or estate with the county assessor. This section applies notwithstanding that the property may otherwise be entitled to an exemption under this section, ORS 307.120 or as otherwise provided by law.

SECTION 18. ORS 462.073 is amended to read:

462.073. (1) Every licensee who conducts a race meet shall carry on the books for each race meet an account to be known as the Unclaimed Winnings Account showing the total amount due on outstanding winning mutuel wagering tickets and refund tickets not presented for payment. All funds in the Unclaimed Winnings Account shall be retained by the licensee and deposited in a separate account from all other funds in a bank maintaining an office located in and licensed to do business in Oregon. No payments shall be made by the licensee from this account except to a person who presents a valid, clearly identifiable winning or refund ticket. A statement of the balance of the Unclaimed Winnings Account shall be furnished to the Oregon Racing Commission within 72 hours after any change in the account balance during the race meet and, after the completion of the race

meet, within five days following the last day of each month in which there is any change in the account balance.

(2) Any person claiming to be entitled to any part of winnings or refunds from a mutuel wagering system operated by a licensee, who fails to claim the money due prior to the completion of the race meet at which the mutuel wagering or refund ticket was purchased, may, within 90 days after the close of the meet, file with the licensee a claim, in such form as the commission shall prescribe, accompanied by the valid winning or refund ticket. If the claimant establishes the right to winnings or refunds from the mutuel wagering system, the licensee shall pay such moneys to the claimant. At the expiration of such 90-day period, the holder of such a winning or refund ticket shall possess no right to any portion of the wagering or refund and the ticket shall be deemed void.

(3) One hundred twenty days after the close of a race meet conducted by a licensee under this chapter, an amount equal to the outstanding balance of the Unclaimed Winnings Account shall be paid to the commission, which shall immediately deposit such moneys in the General Fund in the State Treasury to the credit of the Oregon Racing Commission Account. The licensee shall be subject to a civil penalty of not less than \$25 per day after 120 days for failure to pay moneys due to the commission in accordance with this subsection. Civil penalties under this subsection shall be imposed as provided in ORS 183.745.

(4) Notwithstanding the provisions of subsections (2) and (3) of this section, if a continuous race meet is designated by the commission, the 90-day period referred to in subsection (2) of this section shall commence after the close of the continuous race meet at the race course.

(5) Notwithstanding the provisions of subsection (2) of this section, if the 90th day prescribed therein falls upon a Saturday, Sunday or legal holiday, then the holder shall file such claim with the licensee on the first business day thereafter.

(6) Notwithstanding the provisions of subsection (3) of this section, a race meet licensee who holds a license under ORS 462.057 shall retain that licensee's unclaimed winnings to finance physical improvements to the licensee's race course facility and enclosure. This subsection does not apply to the unclaimed winnings from those race meets which the licensee holds at the race course of a licensee who is the holder of a license under ORS 462.062 or 462.067.

[(7) Notwithstanding the provisions of subsection (3) of this section, when a race meet is conducted at the state fairgrounds by a licensee of the Oregon State Fair and Exposition Center, unclaimed winnings from the race meet shall be expended for physical improvements to the race course facility and enclosure at the state fairgrounds. This subsection does not apply to unclaimed winnings from pari-mutuel wagering on races conducted pursuant to ORS 462.700 to 462.740 by a licensee of the Oregon State Fair and Exposition Center.]

SECTION 19. ORS 462.125 is amended to read:

462.125. (1) The Oregon Racing Commission shall determine the number and classes of race meets to be held in any fiscal year, and the total number of racing dates to be granted to a licensee subject to provisions of ORS 462.062 and 462.067. Not more than 350 days of racing, exclusive of racing days authorized to designated licensees pursuant to [subsections (5) and (6)] **subsection (5)** of this section, shall be held in any metropolitan area in any fiscal year. The commission may not grant a racing date that would cause greyhound racing conducted by licensees under ORS 462.067 to occur within the state in more than seven months of a calendar year. At least nine live races must occur on 40 percent of all days on which the commission authorizes pari-mutuel wagering for horse races, or on 80 days, whichever is greater.

(2) If a licensee fails, for good cause, to complete all of the allocated days in a licensed race meet or if the commission does not receive and approve license applications for all of the days allocated to either class of racing, the commission may add the unused or unallocated days no later than June 30 of the following fiscal year, to the racing days allocated to and available to the licensee or, in the discretion of the commission, to any other licensee of either class of racing in the metropolitan area. Additional race days allocated under this subsection are exempt from the limit of 350 days of racing in a fiscal year imposed by subsection (1) of this section, but are subject to the limit imposed by that subsection on the number of months during a calendar year in which the

commission may grant dates for greyhound racing. The additional racing days granted by the commission to any eligible licensee may not exceed the total of the unused or unallocated racing days in any one fiscal year.

(3) If an emergency occurs on the day of racing, and a night racing program runs past the hour of midnight, such time after midnight is not considered an additional racing day.

(4) As used in subsections (1) and (2) of this section, "metropolitan area" means:

(a) Multnomah, Clackamas and Washington Counties.

(b) Marion and Polk Counties.

(c) Linn and Benton Counties.

(d) A county other than those designated in paragraphs (a), (b) and (c) of this subsection.

(5) Each licensee designated in ORS 462.057 may be granted up to 12 days of horse, mule or greyhound racing to be held within the county in which the licensee holds its fair or show or at a race course owned by a governmental agency or a nonprofit corporation in an adjoining county. If a licensee does not use all of the licensee's allocated race days during the fiscal year, the commission, in the commission's discretion, may allow that licensee to use the leftover days in the next fiscal year. If a licensee referred to in this subsection wishes to make application to the commission to schedule racing days that conflict with racing days previously scheduled by another such licensee, at least 30 days prior to the date of a meeting of the commission, the governing bodies of the applicant and the previous licensee shall meet at a time and place prescribed by the previous licensee to discuss the applicant's proposed racing day schedule. The conclusion of the parties regarding the proposals for conflicting racing days and the matters upon which the parties agree or disagree shall be reduced to writing signed by the parties and submitted to the commission not later than 14 days prior to a meeting of the commission. The commission may approve or disapprove proposals for conflicting racing days upon such terms and conditions as the commission considers appropriate.

[(6) The Oregon State Fair may be granted up to 65 days of racing to be held at the state fairgrounds. Such racing shall be sponsored by the Oregon State Fair and the net licensee income of the meet shall be used only for Oregon State Fair programs or capital improvements. The commission shall schedule days of racing for the Oregon State Fair in a manner that avoids conflict with other race meets previously licensed under ORS 462.057. The Oregon State Fair shall make payments as specified in ORS 462.057 (1).]

[(7)] (6) The commission may not grant a license for any race meet within a county for dates that conflict with racing dates granted to the county fair of such county.

[(8)] (7) The commission may not grant a licensee that is subject to ORS 462.062 a license for a race meet for a date that conflicts with a race meet date granted to a licensee that is subject to ORS 462.057, unless the commission has the consent of the licensee that is subject to ORS 462.057. This subsection applies only if the licensee that is subject to ORS 462.057 held a race meet during the 2002 calendar year on a date substantially similar to the date that is the subject of the conflict. A licensee that is subject to ORS 462.057 may not unreasonably withhold consent under this subsection.

SECTION 20. ORS 462.140 is amended to read:

462.140. (1) No person shall conduct or commit, attempt or conspire to conduct or commit pool selling, bookmaking, or circulate handbooks, or bet or wager on any licensed race meet, other than by the mutuel method. All moneys wagered in Oregon must be accounted for through a computerized mutuel wagering system in use by an operating race meet in this state and approved by the Oregon Racing Commission. Wagering into pools outside of Oregon via telephone or other device is prohibited unless the wagering information is transmitted by a licensee that conducts off-race course mutuel wagering pursuant to ORS 462.700 to 462.740.

(2) *[Except for the Oregon State Fair and Exposition Center, no]* A race meet licensee *[shall]* **may not** take more than 22 percent of the gross receipts of any mutuel wagering system subject to approval by the commission. *[The Oregon State Fair and Exposition Center may take up to a maximum of 19 percent from gross mutuel wagering requiring the selection of fewer than three separate wagering*

interests and up to a maximum of 25 percent from gross mutuel wagering requiring the selection of three or more separate wagering interests.]

(3) A race meet licensee shall compute breaks in the mutuel system at 10 cents for each dollar wagered in a specific mutuel pool except, when the breaks in the mutuel system compute to less than 10 cents total for each dollar wagered, the race meet licensee shall compute the breaks on that specific mutuel pool at five cents. When the breaks in the mutuel system compute at 10 cents or more for each dollar wagered, the race meet licensee shall pay in increments of 10 cents for each dollar wagered. When the breaks in the mutuel system compute to less than 10 cents for each dollar wagered, the race meet licensee shall pay five cents for each dollar wagered. For horses, 45 percent of the breaks shall be retained by the licensee. For greyhounds, 33-1/3 percent shall be retained by the licensee. The other 55 percent for horses and 66-2/3 percent for greyhounds shall be paid as follows:

(a) For thoroughbred horse races, to the Oregon Thoroughbred Breeders Association, Incorporated, to be used by that association subject to prior approval of the commission, in such amounts and for such of the following purposes as the association deems desirable:

(A) For breeders awards;

(B) For stallion awards;

(C) For education of the members of the association and other horsemen regarding the breeding and racing of thoroughbred horses; or

(D) For the promotion and development of thoroughbred horse breeding and racing in Oregon.

(b) For quarterhorse races, to the Racing Division of the Oregon Quarterhorse Association, Incorporated, to be used by that association subject to prior approval of the commission, in such amounts and for such of the following purposes as the association deems desirable:

(A) For breeders awards;

(B) For stallion awards;

(C) For education of the members of the association and other horsemen regarding the breeding and racing of quarterhorses; or

(D) For the promotion and development of quarterhorse breeding and racing in Oregon.

(c) For races for any other horses not designated in paragraphs (a) and (b) of this subsection, to each association of horsemen recognized by the commission as representing the other breeds of horses, to be used by that association subject to prior approval of the commission, in such amounts and for such of the following purposes as each recognized association deems desirable:

(A) For breeders awards;

(B) For stallion awards;

(C) For education of the members of the association and other horsemen regarding the breeding and racing of horses; or

(D) For the promotion and development of horse breeding and racing in Oregon.

(d) By a licensee of a race meet for greyhounds:

(A) One-half thereof to augment purses subject to reasonable regulations prescribed by the commission.

(B) The other one-half thereof for benefit and improvement of the breeding, ownership, training and racing of greyhounds in Oregon, subject to reasonable regulations prescribed by the commission. Included, but not by way of limitation, would be payment of purses for maiden graduation or special schooling races without wagering, and construction and operation of one or more appropriate public training facilities within the state. All such funds shall be retained by the licensee in an account separate from all other funds, and no disbursements or transfers shall be made therefrom without prior approval of the commission.

SECTION 21. ORS 565.010 is amended to read:

565.010. As used in this chapter, unless the context requires otherwise:

(1) "Board" means county fair board.

[2] "Center" means the Oregon State Fair and Exposition Center.]

[3] "Commission" means Oregon State Fair Commission.]

[(4)] (2) "County court" includes board of county commissioners.

[(5)] (3) "County fair" means an exhibition held for the purposes of disseminating knowledge concerning, and encouraging the growth and prosperity of, all agricultural, stock raising, horticultural, mining, mechanical, artistic and industrial pursuits in a county, including the racing of animals and vehicles.

[(6)] (4) "County fairgrounds" means the ground and all other property owned, leased, used or controlled by a county and devoted to the use of a county fair.

[(7)] "Director" means the Director of the Oregon State Fair and Exposition Center.]

SECTION 22. ORS 565.030 is amended to read:

565.030. [(1)] The [Oregon State Fair Commission] **State Fair Advisory Committee** shall provide advice and assistance to the **State Parks and Recreation** Director [of the Oregon State Fair and Exposition Center] on matters regarding the operation of the Oregon State Fair and shall solicit and encourage support throughout the state to improve the quality of and participation in the fair to achieve the purposes and objectives of ORS 565.050.

[(2)] *Notwithstanding any other provision of this chapter, without the prior approval of the commission, the director shall not substantially change the character of the activities traditionally conducted at the Oregon State Fair.*]

SECTION 23. ORS 565.040 is amended to read:

565.040. There is established a state institution to be designated and known as the Oregon State Fair, **which shall be administered and operated by the State Parks and Recreation Department.**

SECTION 24. ORS 565.050 is amended to read:

565.050. The objects and purposes of the Oregon State Fair are to disseminate knowledge concerning, and to encourage the growth and prosperity of all agricultural, stock raising, horticultural, mining, mechanical, artistic and industrial pursuits in this state[, *including the racing of animals*]. To this end the **State Parks and Recreation** Director [of the Oregon State Fair and Exposition Center] shall operate the business and properties of the Oregon State Fair [and Exposition Center] as a year-round fair and exposition center, display historical objects and do all things necessary or expedient for the full utilization of the properties and facilities of the [center] **fair**. The director shall conduct an annual state fair for a period of not more than 17 [days] **days'** duration beginning and ending on such dates as the director considers appropriate.

SECTION 25. ORS 565.060 is amended to read:

565.060. In accordance with any applicable provision of ORS chapter 183, the [Director of the Oregon State Fair and Exposition Center] **State Parks and Recreation Commission** may adopt rules to carry out the provisions of this chapter.

SECTION 26. ORS 565.080 is amended to read:

565.080. (1) The **State Parks and Recreation** Director [of the Oregon State Fair and Exposition Center] shall have care of the Oregon State Fair [and Exposition Center] property and be entrusted with the direction of its business and financial affairs. The director shall prepare, adopt, publish and enforce all necessary rules for the management of [the center and] the Oregon State Fair, its meetings and exhibitions and for the guidance of its officers or employees. [In carrying out any duties, functions or powers relating to property acquisition, capital construction or capital improvements for the center, the director shall contract for the performance of all services relating thereto with the Oregon Department of Administrative Services.]

(2) The director may appoint all necessary marshals to keep order on the grounds and in the buildings of the [center] **Oregon State Fair** during all exhibitions. The marshals so appointed shall be vested with the same authority for such purposes as executive peace officers are vested by law.

(3) The director shall establish charges for entrance fees, gate money, lease stalls, stands, parking space, buildings, restaurant sites; conduct shows, exhibitions, races and all manner of business notwithstanding the provisions of ORS 227.286 and do all other things the director considers proper in the operation of a year-round fair and exposition center and the annual state fair. The

state is in no event liable for any premium awarded or debt created by the director beyond the amount annually appropriated therefor.

(4) *[Subject to procedures established by the Oregon State Fair Commission,]* The director may enter into sponsorship agreements for the receipt of moneys, services, products or other items of value. A sponsorship agreement entered into under this subsection is not subject to ORS chapter 279 *[or to the Oregon Department of Administrative Services service provision requirement under subsection (1) of this section].*

SECTION 27. ORS 565.080, as amended by section 299, chapter 794, Oregon Laws 2003, is amended to read:

565.080. (1) The **State Parks and Recreation** Director *[of the Oregon State Fair and Exposition Center]* shall have care of the Oregon State Fair *[and Exposition Center]* property and be entrusted with the direction of its business and financial affairs. The director shall prepare, adopt, publish and enforce all necessary rules for the management of *[the center and]* the Oregon State Fair, its meetings and exhibitions and for the guidance of its officers or employees. *[In carrying out any duties, functions or powers relating to property acquisition, capital construction or capital improvements for the center, the director shall contract for the performance of all services relating thereto with the Oregon Department of Administrative Services.]*

(2) The director may appoint all necessary marshals to keep order on the grounds and in the buildings of the *[center]* **Oregon State Fair** during all exhibitions. The marshals so appointed shall be vested with the same authority for such purposes as executive peace officers are vested by law.

(3) The director shall establish charges for entrance fees, gate money, lease stalls, stands, parking space, buildings, restaurant sites; conduct shows, exhibitions, races and all manner of business notwithstanding the provisions of ORS 227.286 and do all other things the director considers proper in the operation of a year-round fair and exposition center and the annual state fair. The state is in no event liable for any premium awarded or debt created by the director beyond the amount annually appropriated therefor.

(4) *[Subject to procedures established by the Oregon State Fair Commission,]* The director may enter into sponsorship agreements for the receipt of moneys, services, products or other items of value. A sponsorship agreement entered into under this subsection is not subject to ORS chapter 279, 279A or 279B *[or to the Oregon Department of Administrative Services service provision requirement under subsection (1) of this section].*

SECTION 28. ORS 565.090 is amended to read:

565.090. (1) The Oregon State Fair shall be permanently located on the present grounds now owned by the state and heretofore devoted to Oregon State Fair purposes, located in the City of Salem, in Marion County. Those grounds and such additional lands as may hereafter be obtained by the *[Oregon State Fair and Exposition Center]* **State Parks and Recreation Department for the purposes of the Oregon State Fair** are dedicated for the use of the *[center]* **Oregon State Fair and for other departmental programs.**

(2) The *[center]* **department** may obtain by donation, exchange or purchase such lands adjacent to the present grounds, including improvements thereon, as it may deem necessary and advisable to facilitate the use of such grounds and may construct, remodel and repair buildings and facilities deemed by it necessary in the operation of the *[center]* **Oregon State Fair and for other departmental programs.**

SECTION 29. ORS 565.095 is amended to read:

565.095. (1) In accordance with any applicable provisions of ORS 286.010, 286.020 and 286.105 to 286.135 and ORS chapter 288, the **State Parks and Recreation** Director *[of the Oregon State Fair and Exposition Center]*, with the approval of the *[Oregon State Fair]* **State Parks and Recreation** Commission and the State Treasurer, may issue revenue bonds in an amount not to exceed \$10 million.

(2) Moneys received from the issuance of revenue bonds may be expended for land acquisition, capital construction and improvements and for paying current operating and other expenses of the Oregon State Fair *[and the Oregon State Fair and Exposition Center].*

(3) Revenue bonds issued pursuant to this section shall be secured by revenues received by the director from activities conducted at the Oregon State Fair [*and the Oregon State Fair and Exposition Center*], and shall not be a general obligation of the [*Oregon State Fair, the Oregon State Fair and Exposition Center*] **State Parks and Recreation Department** or the State of Oregon.

SECTION 30. ORS 565.103 is amended to read:

565.103. (1) Pursuant to ORS 286.560 to 286.580, lottery bonds may be issued to fund projects for the improvement, restoration, upgrading and preservation of systems, facilities and equipment of the Oregon State Fair [*and Exposition Center*].

(2) The use of lottery bond proceeds is authorized based on the following findings:

(a) The activities of the Oregon State Fair [*and Exposition Center*] promote Oregon's agricultural industry and its products;

(b) The promotion of agricultural products expands markets, which in turn creates jobs and stimulates economic development of the industry; and

(c) The [*annual*] Oregon State Fair draws patrons from throughout the region and creates jobs and substantial economic activity for the Salem and Keizer areas.

(3) The aggregate principal amount of lottery bonds issued pursuant to this section may not exceed the sum of \$20,167,661 and an additional amount estimated by the State Treasurer to be necessary to pay bond-related costs. Lottery bonds issued pursuant to this section shall be issued only at the request of the **State Parks and Recreation** Director [*of the Oregon State Fair and Exposition Center*].

(4) The net proceeds of lottery bonds issued pursuant to this section shall be deposited in the State Fair Capital Project Fund, which is hereby established in the State Treasury separate and distinct from the General Fund.

(5) The proceeds of lottery bonds issued pursuant to this section shall be used only for the purposes set forth in subsection (1) of this section and for bond-related costs.

SECTION 31. ORS 565.107 is amended to read:

565.107. (1) The Oregon State Fair [*and Exposition Center*] Account is created as an account separate and distinct from the General Fund of the State Treasury. The account shall consist of:

(a) Proceeds from the sale of revenue bonds authorized to be issued by ORS 565.095.

(b) Interest earned on moneys held for debt service payments, rebates and the proceeds from the sale of revenue bonds pursuant to ORS 565.095, notwithstanding ORS 293.140, including moneys held since December 17, 1986. Such interest earnings shall be separately accounted for within the account and shall be available only for the purpose of retiring bond indebtedness.

(c) Moneys received by the **State Parks and Recreation** Director [*of the Oregon State Fair and Exposition Center*] from activities conducted at the Oregon State Fair [*and the Oregon State Fair and Exposition Center*].

(d) Moneys received by the director by appropriation, gift, grant or other donation from any source or otherwise paid to the director pursuant to law. Moneys received as a result of a gift, grant or donation shall be separately accounted for within the account and shall be available only for the purpose specified in the gift, grant or donation or, if no purpose is specified, for any purpose that the [*Oregon State Fair*] **State Parks and Recreation** Commission determines is consistent with the intent of the donor or grantor.

(e) Interest earned on moneys received by the director as a result of a gift, grant or donation. The interest earnings shall be separately accounted for within the account and shall be available only for the purpose specified in the gift, grant or donation or, if no purpose is specified, for any purpose that the commission determines is consistent with the intent of the donor or grantor.

(2) **Moneys in** the account created by subsection (1) of this section [*is*] **are** appropriated continuously to the [*director*] **State Parks and Recreation Department** for the payment of:

(a) Operating and other expenses of the Oregon State Fair [*and the center*].

(b) Land acquisition, capital construction and capital improvements at the Oregon State Fair [*and the center*].

(c) Principal and interest on all revenue bonds issued pursuant to ORS 565.095.

(d) Any purpose designated by the donor or grantor of a gift, grant or donation, or for any other purpose that the commission determines is consistent with the intent of the donor or grantor, to the extent of gift, grant, donation and resulting interest moneys within the account.

SECTION 32. ORS 565.109 is amended to read:

565.109. The **State Parks and Recreation** Director [*of the Oregon State Fair and Exposition Center*] may accept gifts, grants and donations of moneys, property or any other valuable thing on behalf of the Oregon State Fair [*and Exposition Center*]. Unless use of moneys, property or valuable things received under this section is limited by the donor or grantor, the moneys, property or valuable thing may be used in any manner that the [*Oregon State Fair*] **State Parks and Recreation** Commission determines to be consistent with the intent of the donor or grantor.

SECTION 33. ORS 565.114 is amended to read:

565.114. The Legislative Assembly finds and declares that:

(1) The successful solicitation of gifts, grants and donations for the benefit of the Oregon State Fair [*and Exposition Center*] allows the operation, improvement and maintenance of facilities or programs enjoyed by the public. The receipt of gifts, grants and donations for the benefit of the [*center*] **Oregon State Fair** reduces the amount of public moneys that must be spent for the operation, improvement and maintenance of facilities or programs.

(2) The successful solicitation of gifts, grants and donations by a nonprofit, tax exempt organization for the benefit of the [*center*] **Oregon State Fair** minimizes the cost to the state of obtaining those gifts, grants and donations. Cooperation between the [*center*] **State Parks and Recreation Department** and such an organization, including the provision of tickets and other promotional items, facilities, supplies, staff and services by the [*center*] **department** for use by such an organization in connection with fund raising efforts, serves a public purpose by increasing the ability of the organization to successfully solicit gifts, grants and donations for the benefit of the [*center*] **Oregon State Fair**.

SECTION 34. ORS 565.116 is amended to read:

565.116. (1) The **State Parks and Recreation** Director [*of the Oregon State Fair and Exposition Center*] may cooperate with any nonprofit, tax exempt organization designated by the director as an appropriate organization to solicit gifts, grants and donations for the benefit of the Oregon State Fair [*and Exposition Center*].

(2) The director may advise and receive advice from an organization described in subsection (1) of this section. The director may, if allowed by the charter and bylaws of the organization, serve [*ex officio*] as a regular or nonvoting board member of the organization. The director may not chair the board of directors, vote for or appoint other board members, control the financial affairs of the organization or oversee the day-to-day operation of the organization.

(3) The director may provide tickets, promotional items and facilities to the organization without charge for use in increasing the ability of the organization to successfully solicit gifts, grants and donations for the benefit of the [*center*] **Oregon State Fair**.

(4) The director may provide supplies, staff and services to the organization at cost for use in increasing the ability of the organization to successfully solicit gifts, grants and donations for the benefit of the [*center*] **Oregon State Fair**.

(5) The director shall submit an annual accounting report to an appropriate committee of the Legislative Assembly designated by the Speaker of the House of Representatives and the President of the Senate. The report must contain a detailed description of all tickets, promotional items, facilities, supplies, staff and services provided under subsections (3) and (4) of this section, the specific disposition or application thereof made by the organization and any resulting benefit to the [*center*] **Oregon State Fair**.

(6) The director may enter into an agreement for the donation to the [*center*] **Oregon State Fair** of goods, services and public improvements by a nonprofit, tax exempt organization.

SECTION 35. ORS 565.120 is amended to read:

565.120. The **State Parks and Recreation** Director [*of the Oregon State Fair and Exposition Center*] is authorized to issue a license permitting the holder of the license to conduct any business

therein named upon the grounds of the Oregon State Fair [and Exposition Center]. Issuance of licenses shall be in accordance with the competitive bidding requirements of ORS chapter 279 for the awarding of public contracts, to the extent those procedures are practicable. [The Director of the Oregon Department of Administrative Services by rule may adopt and prescribe such supplementary competitive bidding procedures as the director considers appropriate.] The funds arising therefrom shall become a part of the Oregon State Fair [and Exposition Center] Account.

SECTION 36. ORS 565.120, as amended by section 300, chapter 794, Oregon Laws 2003, is amended to read:

565.120. The **State Parks and Recreation** Director [of the Oregon State Fair and Exposition Center] is authorized to issue a license permitting the holder of the license to conduct any business therein named upon the grounds of the Oregon State Fair [and Exposition Center]. Issuance of licenses shall be in accordance with the competitive bidding requirements of ORS chapters 279, 279A and 279B for the awarding of public contracts, to the extent those procedures are practicable. [The Director of the Oregon Department of Administrative Services by rule may adopt and prescribe such supplementary competitive bidding procedures as the director considers appropriate.] The funds arising therefrom shall become a part of the Oregon State Fair [and Exposition Center] Account.

SECTION 37. ORS 565.130 is amended to read:

565.130. (1) Licenses under ORS 565.120 may be issued permitting any business to be conducted upon the grounds of the Oregon State Fair [and Exposition Center] which under the laws of this state may be conducted at any place within the state, including the sale of malt, vinous or distilled liquor.

(2) Any business so licensed by the **State Parks and Recreation** Director [of the Oregon State Fair and Exposition Center shall not be] **is not** required to pay license to any city, county or state, other than to the director as provided in ORS 565.120, for conducting a business upon the grounds of the [center] **Oregon State Fair**. However, nothing in this section shall interfere with the laws of this state requiring a license for the operation of a restaurant or requiring a license to be obtained from the Oregon Liquor Control Commission for the sale or distribution of alcoholic liquors.

SECTION 38. ORS 565.140 is amended to read:

565.140. The buildings and facilities therein that are planned, constructed, altered, furnished and equipped by the [Oregon State Fair and Exposition Center] **State Parks and Recreation Department** at the state fairgrounds, as authorized by chapter 442, Oregon Laws 1957, shall be used primarily for the housing and dining of members of 4-H Clubs and of Future Farmers of America and for exhibit and contest space for nonlivestock exhibits of both groups. These buildings and facilities therein shall be available for other groups only at times other than during the state fair and as authorized by the [Oregon State Fair and Exposition Center] **department**.

SECTION 39. ORS 565.150 is amended to read:

565.150. (1) When construction of an armory containing an auditorium is authorized under ORS 396.505 to 396.545 in Marion County, if the [Oregon State Fair and Exposition Center,] **State Parks and Recreation Department** and the General Staff of the Oregon National Guard arrive at a mutually satisfactory agreement for the use of the armory by the [center] **department**, the [center] **department** may, notwithstanding the provisions of ORS 565.090, permit such armory to be constructed on [Oregon State Fairgrounds,] **the grounds of the Oregon State Fair** and grant control over such armory and grounds to the General Staff for the period that such armory and grounds are used for military purposes. When such armory and grounds are no longer used for military purposes, the control over them shall revert to the [center] **department**.

(2) For purposes of this section, "control" does not include the power to sell, lease, mortgage or in any other way encumber an armory constructed under subsection (1) of this section.

SECTION 40. ORS 565.160 is amended to read:

565.160. (1) The [Oregon State Fair and Exposition Center] **State Parks and Recreation Department** shall plan, construct, alter, furnish and equip horse barn facilities at the [state fairgrounds] **Oregon State Fair** suitable for stabling horses. These facilities shall also include rest

rooms suitable for public use. The [center] **department** shall also plan, construct, alter, furnish and equip storm sewers [at the state fairgrounds] **on the grounds of the Oregon State Fair.**

(2) Notwithstanding any other provision of law pertaining to sale of public property, the State Treasurer, with the approval of the investing agency, may sell any site or facility described in subsection (1) of this section or interest therein so acquired by offer for sale by sealed bid. However:

(a) Any or all bids may be rejected.

(b) The state has first option to purchase at the highest bid accepted.

SECTION 41. ORS 565.170 is amended to read:

565.170. The [Oregon State Fair and Exposition Center] **State Parks and Recreation Department** shall plan, construct, alter, furnish and equip [at the state fairgrounds] **on the grounds of the Oregon State Fair** a facility suitable for housing exhibits and providing contest space for the homemaking arts and crafts.

SECTION 42. ORS 565.610 is amended to read:

565.610. (1) No person shall set up any shop, booth, wagon or other vehicle for the sale of spirituous or other liquors, cigars, provisions or other articles of traffic, or shall sell or otherwise dispose of any liquors, cigars, goods, wares, merchandise, meals, lunch or any article of traffic whatever on **the grounds of the Oregon State Fair, or on** any grounds owned or occupied by [the Oregon State Fair and Exposition Center,] a county fair board or any county or district society formed for the promotion and encouragement of agriculture, stock growing or horticulture, or within one-half mile of such grounds, without having paid the [center] **State Parks and Recreation Department**, county fair board or such society the license for the privilege, or obtained the written consent of the [center,] **department or** county fair board or of the president and secretary of such society.

(2) Nothing in this section shall restrain any person except during [the sessions of the annual] fairs or exhibitions or other public events or meetings [of the Oregon State Fair Commission,] **on the grounds of the Oregon State Fair or of** any county fair board or of such societies, and for two days prior and two days subsequent thereto; nor shall it extend to any person regularly and continuously carrying on business within one-half mile of the premises mentioned.

SECTION 43. ORS 565.620 is amended to read:

565.620. No person shall gain admission, or attempt to gain admission, to the grounds of the Oregon State Fair [and Exposition Center] or of a county fair board or of any society mentioned in ORS 565.610 during their annual fairs or exhibitions, or at any public events or meetings [of the center] **on the grounds of the Oregon State Fair**, county fair board or societies on their grounds, or grounds occupied by them or either of them, except through the special gates kept by the [center] **State Parks and Recreation Department**, county fair boards or societies for that purpose.

SECTION 44. ORS 565.630 is amended to read:

565.630. The [Oregon State Fair and Exposition Center] **State Parks and Recreation Director**, any county fair board and every society mentioned in ORS 565.610 may regulate its prices of admission, licenses and all matters pertaining to the conduct of its annual fairs, exhibitions or other public events or meetings. The penalty for violation of its rules and regulations is as provided by ORS 565.990 (2).

SECTION 45. ORS 565.640 is amended to read:

565.640. The peace officers of the [Oregon State Fair and Exposition Center] **State Parks and Recreation Department**, county fair board or [of] any of the societies mentioned in ORS 565.610, during the continuance of each annual fair or other public event or meeting, and for three days prior and two days subsequent thereto, on the grounds **of the Oregon State Fair or on any grounds** owned or occupied by [the center,] a county fair board or such society for [their] fairs, exhibitions or other public events or meetings, shall have all the authority of a deputy sheriff and may make arrests for violations of the provisions of ORS 565.610 to 565.650 or other laws of this state, or the rules or regulations of the [center] **department**, county fair board or such society.

SECTION 46. ORS 390.134 is amended to read:

390.134. (1) As used in this section:

(a) The terms “camper,” “manufactured structure,” “motor home” and “travel trailer” have the meanings given those terms in ORS chapter 801.

(b) “County” includes a metropolitan service district organized under ORS chapter 268, but only to the extent that the district has acquired, through title transfer, and is operating a park or recreation site of a county pursuant to an intergovernmental agreement.

(2) The State Parks and Recreation Department Fund is established separate and distinct from the General Fund. The fund shall consist of the following:

(a) All moneys placed in the fund as provided by law. Any interest or other income derived from the depositing or other investing of the fund shall be credited to the fund.

(b) All registration fees received by the Department of Transportation for campers, manufactured structures, motor homes and travel trailers which are transferred to the fund under ORS 366.512. Such funds shall be deposited in a separate subaccount established under subsection (3) of this section.

(c) Revenue from fees and charges pursuant to ORS 390.124.

(3) Any moneys placed in the fund for a particular purpose may be placed in a separate subaccount within the fund. Each separate subaccount established under this subsection shall be separately accounted for. Moneys placed in a subaccount shall be used for the purposes for which they are deposited.

(4) All of the moneys in the fund except those moneys described in subsection (3), (5), (6) or (7) of this section shall be deposited in a separate subaccount within the fund and shall be used by the State Parks and Recreation Department for the acquisition, development, maintenance, care and use of park and recreation sites **and for the maintenance and operation of the Oregon State Fair**. The moneys in the subaccount under this subsection shall be accounted for separately and shall be stated separately in the State Parks and Recreation Department’s biennial budget.

(5) Thirty percent of the amount transferred to the State Parks and Recreation Department under ORS 366.512 from the registration of travel trailers, campers and motor homes and under ORS 803.601 from recreational vehicle trip permits shall be deposited in a separate subaccount within the fund and is appropriated for the maintenance, care and use of county park and recreation sites. The moneys in the subaccount under this subsection shall be accounted for separately. The following apply to the distribution of moneys under this subsection:

(a) The appropriation shall be distributed among the several counties for the purposes described in this subsection. The distribution shall be made at times determined by the State Parks and Recreation Department but shall be made not less than once a year.

(b) The sums designated under this subsection shall be remitted to the county treasurers of the several counties by warrant.

(c) The department shall establish an advisory committee to advise the department in the performance of its duties under this subsection. The composition of the advisory committee under this subsection shall be as determined by the department by rule. In determining the composition of the advisory committee, the department shall attempt to provide reasonable representation for county officials or employees with responsibilities relating to county parks and recreation sites.

(d) The department, by rule, shall establish a program to provide moneys to counties for the acquisition, development, maintenance, care and use of county park and recreation areas. The rules under this paragraph shall provide for distribution of moneys based on use and need and, as the department determines necessary, on the need for the development and maintenance of facilities to provide camping sites for campers, motor homes and travel trailers.

(6) The department shall create a separate City and County Subaccount within the fund to be used to reimburse cities and counties as provided in ORS 390.290.

(7) The department shall create a separate rural Fire Protection District Subaccount to be used to provide funds for the fire protection districts as provided in ORS 390.290.

(8) On or before January 15 of each odd-numbered year, the State Parks and Recreation Director shall report to the Joint Legislative Committee on Ways and Means created by ORS 171.555 on the

use of moneys deposited pursuant to ORS 805.256 in the fund. The director shall make the report in a form and manner as the committee may prescribe.

SECTION 47. ORS 390.134, as amended by section 74, chapter 655, Oregon Laws 2003, is amended to read:

390.134. (1) As used in this section:

(a) The terms "camper," "motor home" and "travel trailer" have the meanings given those terms in ORS chapter 801.

(b) "County" includes a metropolitan service district organized under ORS chapter 268, but only to the extent that the district has acquired, through title transfer, and is operating a park or recreation site of a county pursuant to an intergovernmental agreement.

(2) The State Parks and Recreation Department Fund is established separate and distinct from the General Fund. The fund shall consist of the following:

(a) All moneys placed in the fund as provided by law. Any interest or other income derived from the depositing or other investing of the fund must be credited to the fund.

(b) All registration fees received by the Department of Transportation for campers, motor homes and travel trailers that are transferred to the fund under ORS 366.512. The funds must be deposited in a separate subaccount established under subsection (3) of this section.

(c) Revenue from fees and charges pursuant to ORS 390.124.

(3) Any moneys placed in the fund for a particular purpose may be placed in a separate subaccount within the fund. Each separate subaccount established under this subsection must be separately accounted for. Moneys placed in a subaccount must be used for the purposes for which they are deposited.

(4) All of the moneys in the fund except those moneys described in subsection (3), (5), (6) or (7) of this section must be deposited in a separate subaccount within the fund and used by the State Parks and Recreation Department for the acquisition, development, maintenance, care and use of park and recreation sites **and for the maintenance and operation of the Oregon State Fair**. The moneys in the subaccount under this subsection must be accounted for separately and stated separately in the State Parks and Recreation Department's biennial budget.

(5) Thirty percent of the amount transferred to the State Parks and Recreation Department under ORS 366.512 from the registration of travel trailers, campers and motor homes and under ORS 803.601 from recreational vehicle trip permits must be deposited in a separate subaccount within the fund and is appropriated for the maintenance, care and use of county park and recreation sites. The moneys in the subaccount under this subsection must be accounted for separately. The following apply to the distribution of moneys under this subsection:

(a) The appropriation must be distributed among the several counties for the purposes described in this subsection. The distribution shall be made at times determined by the State Parks and Recreation Department but must be made not less than once a year.

(b) The sums designated under this subsection must be remitted to the county treasurers of the several counties by warrant.

(c) The department shall establish an advisory committee to advise the department in the performance of its duties under this subsection. The composition of the advisory committee under this subsection is as determined by the department by rule. In determining the composition of the advisory committee, the department shall attempt to provide reasonable representation for county officials or employees with responsibilities relating to county parks and recreation sites.

(d) The department, by rule, shall establish a program to provide moneys to counties for the acquisition, development, maintenance, care and use of county park and recreation areas. The rules under this paragraph shall provide for distribution of moneys based on use and need and, as the department determines necessary, on the need for the development and maintenance of facilities to provide camping sites for campers, motor homes and travel trailers.

(6) The department shall create a separate City and County Subaccount within the fund to be used to reimburse cities and counties as provided in ORS 390.290.

(7) The department shall create a separate rural Fire Protection District Subaccount to be used to provide funds for the fire protection districts as provided in ORS 390.290.

(8) On or before January 15 of each odd-numbered year, the State Parks and Recreation Director shall report to the Joint Legislative Committee on Ways and Means created by ORS 171.555 on the use of moneys deposited pursuant to ORS 805.256 in the fund. The director shall make the report in a form and manner as the committee may prescribe.

SECTION 48. ORS 565.015, 565.020, 565.070, 565.112 and 565.423 are repealed.

SECTION 49. This 2005 Act being necessary for the immediate preservation of the public peace, health and safety, an emergency is declared to exist, and this 2005 Act takes effect on its passage.

Passed by House July 11, 2005

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Chief Clerk of House

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Speaker of House

Passed by Senate July 21, 2005

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President of Senate

Received by Governor:

.....M.,....., 2005

Approved:

.....M.,....., 2005

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Governor

Filed in Office of Secretary of State:

.....M.,....., 2005

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Secretary of State