

# MORROW COUNTY BOARD OF COMMISSIONERS MEETING AGENDA

Wednesday, July 13, 2022 at 9:00 a.m.

Bartholomew Building Upper Conference Room

110 N. Court St., Heppner, Oregon

See Zoom Meeting Information on Page 2

Revised

1. **Call to Order and Pledge of Allegiance: 9:00 a.m.**
2. **City/Citizen Comments:** Individuals may address the Board on issues not on the agenda
3. **Open Agenda:** The Board may introduce subjects not already on the agenda
4. **Consent Calendar**
  - a. Approve Accounts Payable & Payroll Payables
  - b. Minutes: May 4<sup>th</sup>
  - c. Independent Contractor Agreement – County Surveyor
  - d. Resolution No. R-2022-12: Transferring Operating Contingency to Emergency Management (Nitrate Water Emergency)
  - e. Contract – Bull Riding Challenge of Champions
  - f. Helion Software Contract Renewal
  - g. Department Head Level Interview Panels
  - h. **Fiscal Agent for AWS Grant for Heritage Trail Interpretive Panels**
5. **Emergency Operations Center Update**
6. **Public Hearing:**
  - a. Psilocybin Election - Public Hearing
    - i. At a prior Board of Commissioner meeting, the Board expressed its desire to refer to the voters whether psilocybin manufacturing and centers should be allowed in the county. An ordinance has been drafted to implement a ban and refer the matter to the voters.
7. **Business Items**
  - a. Oregon Department of Transportation Agreement #35370 5310 Grant Program (Katie Imes)
  - b. Review Permit Application #OTJ to Build on Right-of-Way (Mike Haugen)
  - c. Department of Administrative Services Grant Agreement #107-2022-5202-93, Fairgrounds Infrastructure (Ann Jones)
8. **Department Reports**
  - a. Veterans Office Quarterly Report (Linda Skendzel)
  - b. Justice Court Quarterly Report (Glen Diehl)
  - c. Planning Department Monthly Report (Tamra Mabbott)
  - d. Treasurer's Monthly Report (Jaylene Papineau)
9. **Correspondence**
10. **Commissioner Reports**
11. **Sign documents**
12. **Adjournment**

Agendas are available every Friday on our website ([www.co.morrow.or.us/boc](http://www.co.morrow.or.us/boc) under “Upcoming Events”). Meeting Packets are also available the following Monday.

The meeting location is accessible to persons with disabilities. A request for an interpreter for the hearing impaired or for other accommodations for persons with disabilities should be made at least 48 hours before the meeting to (541) 676-5613.

Pursuant to ORS 192.640, this agenda includes a list of the principal subjects anticipated to be considered at the meeting; however, the Board may consider additional subjects as well. This meeting is open to the public and interested citizens are invited to attend. Executive sessions are closed to the public; however, with few exceptions and under specific guidelines, are open to the media. The Board may recess for lunch depending on the anticipated length of the meeting and the topics on the agenda. If you have anything that needs to be on the agenda, please notify the

Board office before noon of the preceding Friday. If something urgent comes up after this publication deadline, please notify the office as soon as possible. If you have any questions about items listed on the agenda, please contact (541) 676-5613.

### **Zoom Meeting Information**

<https://zoom.us/j/5416762546>

**PASSWORD: 97836**

Meeting ID: 541-676-2546

#### **Zoom Call-In Numbers for Audio Only:**

- 1-346-248-7799, Meeting ID: 541 676 2546#
- 1-669-900-6833, Meeting ID: 541 676 2546#
- 1-312-626-6799, Meeting ID: 541-676-2546#
- 1-929-436-2866, Meeting ID: 541-676-2546#
- 1-253-215-8782, Meeting ID: 541-676-2546#
- 1-301-715-8592, Meeting ID: 541-676-2546#

**Morrow County Board of Commissioners Meeting Minutes**  
**May 4, 2022**  
**Bartholomew Building Upper Conference Room**  
**Heppner, Oregon**

**Present In-Person**

Chair Jim Doherty, Commissioner Melissa Lindsay, Commissioner Don Russell, Darrell Green, Roberta Lutchter, Ana Pineyro, Tamra Mabbott, Emily Roberts, Robin Canaday, Paul Gray, Matt Mahaney

**Present Via Zoom**

Jean Mendoza, Linda Skendzel, Heidi Turrell, Karen Pettigrew, Jaylene Papineau, Mary Killion, Aaron Moss, Amy Van Saun, SaBrina Bailey-Cave, Armando Mendoza, JoAnna Lamb, Brenda Profitt, Carla McLane, Justin Green, J.R. Cook, Mike Gorman, Rafael Romero, Rick Stokoe, Ana Maria Rodriguez, Jenn Rollins, Debbie Radie, Lisa Mittelsdorf, David Sykes

**Call to Order, Pledge of Allegiance & Roll Call:** 9:02 a.m.

**City & Citizen Comments:** None

**Open Agenda:** Commissioner Russell asked to add a discussion on scheduling a ribbon cutting ceremony for the Morrow County Government Center.

**Consent Calendar:**

*Commissioner Russell moved to approve the following items in the Consent Calendar:*

1. *Accounts Payable and Payroll Payables*
2. *Planning Commission Appointment: Mary Killion to Position #1; term to be May 4, 2022 to December 31, 2025*

*Commissioner Lindsay seconded. Unanimous approval.*

**Business Items**

Columbia Development Authority Update

Greg Smith, Executive Director, did not provide an update.

Nitrate Testing Update

Chair Doherty said this item, as well as the next Business Item on the agenda (Proposed Collaborative Action between Morrow County Health Department and Morrow County Health District), dovetailed into one another. The Board then listened to multiple speakers. Topics included the nitrate problem in the Yakima Valley Groundwater Management Area; home water filtration systems and the importance of routine maintenance; efforts toward obtaining funding; clarification of the areas impacted in Morrow County and potentially Umatilla County; and further clarification that nitrates were not an issue with city water systems. When the discussion concluded, Chair Doherty said a Work Session would be scheduled, adding this was just the beginning.

Discussion: Interchange Area Management Plan – Adoption Fees

Tamra Mabbott, Planning Director

Ms. Mabbott explained in 2019 three entities entered into an agreement to fund the engineering work to update the Port of Morrow Interchange Area Management Plan (Morrow County, Port of Morrow and City of Boardman). The request was to not charge the entities the adoption fee.

*Commissioner Russell moved to waive the adoption fees on the Port of Morrow Interchange with the County, City and Port being equal partners. Chair Doherty seconded. Discussion: Chair Doherty said he jumped in because Commissioner Lindsay has been fairly consistent in wanting folks who come to the table...that we be careful going down that path...I was in some of those early meetings, so I'm comfortable enough moving forward with this and waiving it at this time. Commissioner Lindsay said the following: I'm happy to collaborate and partner but my preference would have been for us to cover it internally and pay ourselves. It's interesting that Commissioner Russell and former Commissioner Leann Rea and Judge Terry Tallman told a non-profit entity we do not waive fees and, to Commissioner Russell's credit, it was Commissioner Rea who made a pretty broad statement that I recall during a meeting in Irrigon when I sat in the back of the room and our past Planner made the proposal. It stuck in the back of my head...is it really never? Ok, I can stand by that. So, when the County did a partnership with the City of Heppner to do the Sheriff's building, I didn't even ask, I just found the money internally and we paid ourselves the fee. So, I'd love to collaborate and partner, I just prefer we pay ourselves internally and the County covers the fee. I realize it's awkward and different but at least it remains consistent. Some of our big partners that we give tax breaks to etc., have come and said, "How about a two-for-one and you waive the fees," and my answer was very easy to say – we don't waive fees. So, I'd prefer we pay it to ourselves and thereby we're doing the same thing with our partners in this work as opposed to waiving fees and opening a precedent for future people to argue there's a reason I should get a fee waived. Vote: Aye: Chair Doherty, Commissioner Russell. Nay: Commissioner Lindsay. Motion carried.*

#### Federal Emergency Management Agency (FEMA) Exercise Summary

Paul Gray, Emergency Manager

Mr. Gray reviewed the agenda for an upcoming FEMA Cascadia Subduction Zone Earthquake Exercise, June 27<sup>th</sup>-July 1<sup>st</sup>. He asked that one Commissioner be in attendance for exercises on June 27<sup>th</sup> and 30<sup>th</sup>. The Commissioners expressed interest and asked Mr. Gray to send them calendar invites.

#### Letter of Support – Beef Processing Facility in Umatilla County

Chair Doherty postponed consideration of the letter to next week in order to obtain additional information.

#### Columbia River Enterprise Zone III Update

Chair Doherty said a Special Meeting was held on April 29<sup>th</sup> that also included an Executive Session on the "preliminary negotiations involving matters of trade and commerce" citation. Potential action was suspended until today's meeting to get it on the agenda, he said. The County was embarking on a discussion with an organization with three or four of its own economists working on a potential agreement, he said, and it was important the County understood it well enough to avoid any missteps that could cost the County. Chair Doherty proposed bringing in outside legal counsel to represent the County. Discussion.

*Chair Doherty moved to go out and seek outside counsel and have Commissioner Lindsay work with County Counsel, Justin Nelson, and see if we can retain an outside counsel and return and put it on next week's Consent Calendar. Commissioner Lindsay seconded. Vote: Aye: Chair Doherty, Commissioner Lindsay. Abstained: Commissioner Russell. Motion carried.*



Chair Doherty suggested he and Commissioner Lindsay and Assessor/Tax Collector, Mike Gorman, start considering what a Strategic Investment Program (SIP) committee might look like in addition to the CREZ work. He said he thought that was still on the table, if not for one, maybe multiple sites and ongoing. There were some super opportunities and he said he wanted to move forward and negotiate in good faith.

### **Department Reports**

- The Assessment & Tax Quarterly Report was provided by Mr. Gorman.
- The written Sheriff's Office Monthly Report was reviewed.
- The Administrator's Monthly Report was provided by Darrell Green.

### **Correspondence**

- Flyer for the 2022 Boardman Job Fair on June 1<sup>st</sup>

### **Ribbon Cutting Ceremony at the Morrow County Government Center**

Commissioner Russell said he was working with staff to hold the ceremony on Thursday, May 26<sup>th</sup>. He reviewed what was being planned and the other Commissioners agreed with the date and plans.

### **Commissioner Reports**

Brief reports provided.

### **Signing of documents**

**Adjourned:** 11:30 a.m.

**From:** [Darrell Green](#)  
**To:** [Justin Nelson](#)  
**Subject:** Matt Kenny Surveyor contract 07 2022.docx  
**Date:** Thursday, June 23, 2022 6:54:31 AM  
**Attachments:** [Matt Kenny Surveyor contract 07 2021 \(003\).docx](#)  
[2941\\_001.pdf](#)  
[image001.jpg](#)  
[Matt Kenny Surveyor contract 07 2022.docx](#)

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Good morning Justin,

I wasn't sure if you were on Zoom when the topic of the Surveyors contract was discussed. The Board agreed with the motion to accept the County Surveyor contract as negotiated. I have attached the second page of the ACS for reference. I updated the dollar amount, dates, changed the 30-40 hours per month from the previous contract to 30 and on section 18, I deleted the last bullet point 'other'.... as this didn't seem to make sense to me after reviewing it again. I have included the previous contract for reference.

What wasn't negotiated is the possibility to have this contract have a longer term than one year. I can always pop this up 75-90 days in advance to talk to Matt.

I would like to get this on next week's agenda if possible so we have this ready to go on July 1<sup>st</sup>. But if it doesn't, I don't think it will be a big deal with Matt nor myself to have it come to the July 6<sup>th</sup> BoC.

Thank you,

Darrell J. Green  
Morrow County Administrator  
(541) 676-2529  
P.O. Box 788  
110 N. Court St.  
Heppner, OR 97836  
Email: [dgreen@co.morrow.or.us](mailto:dgreen@co.morrow.or.us)



# AGENDA ITEM COVER SHEET

Morrow County Board of Commissioners

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## **1. ISSUES, BACKGROUND, DISCUSSION AND OPTIONS (IF ANY):**

Current County Surveyor contract has an expectation of 30-40 hours per month worked with compensation at a pre-tax rate of \$1,500 per month. This computes to an average of \$43 per hour, pre-tax. This figure is very near the hourly rate previously received as full-time County Surveyor, which was the basis for this rate agreement. It's worth mentioning that at the time of executing this contract my private practice was not fully functional and hourly rates and expenses had not yet been realized.

I propose to amend the contract as follows:

Expectation of hours per month: 30 hours  
Pre-tax compensation per month: \$2,640.00

Justification:

As a private land surveyor, my hourly rates are \$80/hour office, and \$110/hour field. Unless there is a predetermined agreement or lump-sum specific contract, these are the rates I charge for my time. After 1 year of performing County Surveyor duties, I anticipate a typical month consists of 22 hours office and 8 hours of field work. As a contractor, my services should be billed consistently for all clients; therefore, using these figures I propose increasing the pre-tax monthly contribution for this contract to \$2,640.00.

## **2. FISCAL IMPACT:**

Increase County Surveyor Contract by \$1,140.00/month  
Total impact = \$2,640.00/mo or \$31,680.00/year

## **3. SUGGESTED ACTION(S)/MOTION(S):**

Motion to accept County Surveyor Contract, as negotiated.

Attach additional background documentation as needed.

## **Independent Contractor Agreement**

This Agreement is made between Morrow County ("Client") with a principal place of business at \_ 110 N Court St, Heppner, OR 97836 and Matt Kenny ("Contractor").

### **1. Services to Be Performed**

- o Perform statutory duties required for County Surveying.
- o The performance of duties will be conducted on days as scheduled by the Contractor.

### **2. Payment**

In consideration for the services to be performed by Contractor, Client agrees to pay Contractor at the following rate of \$2,3640 per month with an expectation of approximately 30 hours per month.

Contractor shall be paid within a reasonable time after Contractor submits an invoice to Client. The invoice should include the following: an invoice number, the dates covered by the invoice, and a summary of the work performed.

### **3. Expenses**

Client shall be responsible for all expenses incurred while performing services under this Agreement. This includes automobile, other travel expenses; vehicle maintenance and repair costs; vehicle and other license fees and permits; auto insurance premiums; road, fuel, and other taxes; cell phone and cell phone expenses; County laptop; and all survey equipment to complete the work under this agreement.

### **4. Vehicles and Equipment**

Client will not require Contractor to rent or purchase any equipment, product, or service as a condition of entering into this Agreement.

### **5. Independent Contractor Status**

Contractor is an independent contractor, and neither Contractor nor Contractor's employees or contract personnel are, or shall be deemed, Client's employees. In its capacity as an independent contractor, Contractor agrees and represents, and Client agrees, as follows:

[Check all that apply]

Contractor has the right to perform services for others during the term of this Agreement.

Contractor has the sole right to control and direct the means, manner, and method by which the services required by this Agreement will be performed. Contractor shall select the routes taken, starting and quitting times, days of work, and order the work is performed.

Contractor has the right to hire assistants as subcontractors or to use employees to provide the services required by this Agreement.

Neither Contractor nor Contractor's employees or contract personnel shall be required to wear any uniforms provided by Client.

The services required by this Agreement shall be performed by Contractor,

Contractor's employees, or contract personnel, and Client shall not hire, supervise, or pay any assistants to help Contractor.

[X] Neither Contractor nor Contractor's employees or contract personnel shall receive any training from Client in the professional skills necessary to perform the services required by this Agreement.

[X] Neither Contractor nor Contractor's employees or contract personnel shall be required by Client to devote full time to the performance of the services required by this Agreement.

## **6. Business Licenses, Permits, and Certificates**

Contractor represents and warrants that Contractor and Contractor's employees and contract personnel will comply with all federal, state, and local laws requiring drivers and other licenses, business permits, and certificates required to carry out the services to be performed under this Agreement.

## **7. State and Federal Taxes**

Client will not:

- withhold FICA (Social Security and Medicare taxes) from Contractor's payments or make FICA payments on Contractor's behalf
- make state or federal unemployment compensation contributions on Contractor's behalf, or
- withhold state or federal income tax from Contractor's payments.

Contractor shall pay all taxes incurred while performing services under this Agreement-including all applicable income taxes and, if Contractor is not a corporation, self-employment (Social Security) taxes. Upon demand, Contractor shall provide Client with proof that such payments have been made.

## **8. Fringe Benefits**

Contractor understands that neither Contractor nor Contractor's employees or contract personnel are eligible to participate in any employee pension, health, vacation pay, sick pay, or other fringe benefit plan of Client.

## **9. Unemployment Compensation**

Client shall make no state or federal unemployment compensation payments on behalf of Contractor or Contractor's employees or contract personnel. Contractor will not be entitled to these benefits in connection with work performed under this Agreement.

## **10. Workers' Compensation**

Client shall not obtain workers' compensation insurance on behalf of Contractor or Contractor's employees. If Contractor hires employees to perform any work under this Agreement, Contractor will cover them with workers' compensation insurance to the extent required by law and provide Client with a certificate of workers' compensation insurance before the employees begin the work.

## **11. Insurance**

Client shall not provide insurance coverage of any kind for Contractor or

Contractor's employees or contract personnel. Contractor shall obtain the following insurance coverage and maintain it during the entire term of this Agreement:

[Check all that apply.]

Automobile liability insurance for each vehicle used in the performance of this Agreement -- including owned, non-owned (for example, owned by Contractor's employees), leased, or hired vehicles -- in the minimum amount of \$50,000 combined single limit per occurrence for bodily injury and property damage.

Contractor shall provide liability insurance as required by State law. The insurance shall also be of the type recognized as standard in this industry and shall be no less than \$100,000. Before commencing any work, Contractor shall provide Client with proof of this insurance and with proof that Client has been made an additional insured under the policies.

## **12. Indemnification**

Contractor shall indemnify and hold Client harmless from any loss or liability arising from performing services under this Agreement.

## **13. Term of Agreement**

This agreement will become effective when signed by both parties or on 07/01/2022 and will terminate on the earlier of:

- the date Contractor completes the services required by this Agreement
- 07/01/2025, or
- the date a party terminates the Agreement as provided below.

## **14. Terminating the Agreement**

With reasonable cause, either Client or Contractor may terminate this Agreement, effective immediately upon giving written notice.

Reasonable cause includes:

- a material violation of this Agreement, or
- any act exposing the other party to liability to others for personal injury or property damage.

OR

Either party may terminate this Agreement at any time by giving 60 days' written notice to the other party of the intent to terminate.

## **15. Exclusive Agreement**

This is the entire Agreement between Contractor and Client.

## **16. Modifying the Agreement**

This Agreement may be modified only by a writing signed by both parties.

## **17. Resolving Disputes**

If a dispute arises under this Agreement, any party may take the matter to Oregon state court, jurisdiction of the county of Morrow.



OR

If a dispute arises under this Agreement, the parties agree to first try to resolve the dispute with the help of a mutually agreed-upon mediator in Morrow County, OR. Any costs and fees other than attorney fees associated with the mediation shall be shared equally by the parties. If it proves impossible to arrive at a mutually satisfactory solution through mediation, the parties agree to submit the dispute to a mutually agreed-upon arbitrator in Morrow County, OR. Judgment upon the award rendered by the arbitrator may be entered in any court having jurisdiction to do so. Costs of arbitration, including attorney fees, will be allocated by the arbitrator.

### **18. Confidentiality**

Contractor acknowledges that it will be necessary for Client to disclose certain confidential and proprietary information to Contractor in order for Contractor to perform duties under this Agreement. Contractor acknowledges that disclosure to a third party or misuse of this proprietary or confidential information would irreparably harm Client.

Accordingly, Contractor will not disclose or use, either during or after the term of this Agreement, any proprietary or confidential information of Client without Client's prior written permission except to the extent necessary to perform services on Client's behalf. Proprietary or confidential information includes:

- the written, printed, graphic, or electronically recorded materials furnished by Client for Contractor to use
- any written or tangible information stamped "confidential," "proprietary," or with a similar legend, or any information that Client makes reasonable efforts to maintain the secrecy of
- business or marketing plans or strategies, customer lists, operating procedures, trade secrets, design formulas, know-how and processes, computer programs and inventories, discoveries, and improvements of any kind, sales projections, and pricing information
- information belonging to customers and suppliers of Client about whom Contractor gained knowledge as a result of Contractor's services to Client.

Upon termination of Contractor's services to Client, or at Client's request, Contractor shall deliver to Client all materials in Contractor's possession relating to Client's business. Contractor acknowledges that any breach or threatened breach of Clause 18 of this Agreement will result in irreparable harm to Client for which damages would be an inadequate remedy. Therefore, Client shall be entitled to equitable relief, including an injunction, in the event of such breach or threatened breach of Clause 18 of this Agreement. Such equitable relief shall be in addition to Client's rights and remedies otherwise available at law.

## **19. Proprietary Information.**

A. The product of all work performed under this Agreement ("Work Product"), including without limitation all notes, reports, documentation, drawings, computer programs, inventions, creations, works, devices, models, work-in-progress and deliverables will be the sole property of the Client, and Contractor hereby assigns to the Client all right, title and interest therein, including but not limited to all audiovisual, literary, moral rights and other copyrights, patent rights, trade secret rights and other proprietary rights therein. Contractor retains no right to use the Work Product and agree not to challenge the validity of the Client's ownership in the Work Product.

B. Contractor hereby assigns to the Client all right, title, and interest in any and all photographic images and videos or audio recordings made by the Client during Contractor's work for them, including, but not limited to, any royalties, proceeds, or other benefits derived from such photographs or recordings.

C. The Client will be entitled to use Contractor's name and/or likeness use in advertising and other materials.

## **20. No Partnership**

This Agreement does not create a partnership relationship. Contractor does not have authority to enter into contracts on Client's behalf.

## **21. Assignment and Delegation**

Either Contractor or Client may assign rights and may delegate duties under this Agreement.

OR

Contractor may not assign or subcontract any rights or delegate any of its duties under this Agreement without Client's prior written approval.

## **22. Applicable Law**

This Agreement will be governed by Oregon law, without giving effect to conflict of laws principles.

**Signatures**

Morrow County:

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Jim Doherty  
Morrow County Board of Commissioners, Chair

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July 13, 2022

Contractor:

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Printed Name

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Signature

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Date

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Taxpayer ID Number

Attachments:  Exhibit A: Additional Description of Services to be Performed (check if applicable)



AGENDA ITEM COVER SHEET
Morrow County Board of Commissioners
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(For BOC Use)
Item #
4D

Please complete for each agenda item submitted for consideration by the Board of Commissioners
(See notations at bottom of form)

Presenter at BOC: Kevin Ince
Department: Finance
Short Title of Agenda Item:
(No acronyms please)

Date submitted to reviewers: July 7, 2022
Requested Agenda Date: July 13, 2022

Appropriation Transfer Resolution R-2022-12; Operating Contingency to Emergency Management

This Item Involves: (Check all that apply for this meeting.)

- Order or Resolution
Ordinance/Public Hearing:
1st Reading 2nd Reading
Public Comment Anticipated:
Estimated Time:
Document Recording Required
Contract/Agreement
Appointments
Update on Project/Committee
Consent Agenda Eligible
Discussion & Action
Estimated Time:
Purchase Pre-Authorization
Other

N/A

Purchase Pre-Authorizations, Contracts & Agreements

Contractor/Entity:
Contractor/Entity Address:
Effective Dates - From: Through:
Total Contract Amount: Budget Line:
Does the contract amount exceed \$5,000? Yes No

Reviewed By:

Kevin Ince July 7, 2022 Department Director Required for all BOC meetings
Administrator Required for all BOC meetings
County Counsel \*Required for all legal documents
Kevin Ince July 7, 2022 Finance Office \*Required for all contracts; other items as appropriate.
Human Resources \*If appropriate

\*Allow 1 week for review (submit to all simultaneously). When each office has notified the submitting department of approval, then submit the request to the BOC for placement on the agenda.

Note: All other entities must sign contracts/agreements before they are presented to the Board of Commissioners (originals preferred). Agendas are published each Friday afternoon, so requests must be received in the BOC Office by 1:00 p.m. on the Friday prior to the Board's Wednesday meeting. Once this form is completed, including County Counsel, Finance and HR review/sign-off (if appropriate), then submit it to the Board of Commissioners Office.

# AGENDA ITEM COVER SHEET

Morrow County Board of Commissioners

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## **1. ISSUES, BACKGROUND, DISCUSSION AND OPTIONS (IF ANY):**

At the June 22, Board of Commissioners meeting a motion was made and carried to "set aside" \$100,000 for expenditures related to the Water Nitrate Emergency. In order to appropriately account for the increase in spending authority for the Emergency Management Department, the appropriation for FY2022-23 must be increased by \$100,000.

The increase in appropriation for the Emergency Management Department will be accomplished through a transfer of appropriations from the General Fund Contingency and will have a net zero impact on total appropriations in the General Fund for FY2022-2023.

As provided for in ORS 294.463(1) and ORS 294.463(2), this transfer of appropriations can be authorized via a resolution passed by the Board of Commissioners. A Supplemental budget and public hearing is not required since the total year-to-date adjustments to the general fund for FY2022-23 do not exceed 15% of the originally appropriated amount.

## **2. FISCAL IMPACT:**

There is zero net impact on the total appropriated amount for the FY2022-23 Budget Period; however, since funds cannot be expended from amounts appropriated as 'Contingency' this is an effective increase in actual spending authority of \$100,000.

## **3. SUGGESTED ACTION(S)/MOTION(S):**

Move to approve Resolution R-2022-12 transferring appropriation from operating contingency to the Emergency Management Department for \$100,000.

Attach additional background documentation as needed.

**BEFORE THE BOARD OF COMMISSIONERS FOR  
MORROW COUNTY, OREGON**

IN THE MATTER OF TRANSFER OF )  
 APPROPRIATIONS FOR NITRATE )  
 WATER EMERGENCY FOR FISCAL )  
 YEAR BEGINNING JULY 1, 2022 )

RESOLUTION NO. R-2022-12

**WHEREAS**, the above-entitled matter came before the Board of Commissioners on July 13, 2022;  
 and

**WHEREAS**, on June 22, 2022, the Morrow County Board of Commissioners approved a motion to “set aside” \$100,000 to cover expenditures related to the Nitrate Emergency; and

**WHEREAS**, ORS 294.463(1) and ORS 294.463(2) provide that when authorized by resolution of the governing body, a county may transfer general operating contingency appropriations that, in aggregate during a fiscal year or budget period, do not exceed 15 percent of the total appropriations of the fund contained in the original budget

**NOW THEREFORE**, be it resolved, the amounts shown adjust appropriations for the fiscal year beginning July 1, 2022:

	<u>Current</u> <u>Appropriations</u>	<u>Increase/(Decrease)</u>	<u>Amended FY2022-23</u> <u>Budget</u>
<b>General Fund</b>			
Emergency Management Department	\$ 534,252.00	\$ 100,000.00	\$ 634,252.00
Contingency	4,324,202.00	(100,000.00)	4,224,202.00
<b>Total Change-General Fund Appropriations</b>	<b>\$ 4,858,454.00</b>	<b>\$ -</b>	<b>\$ 4,858,454.00</b>
<b>Total Appropriations, General Fund - Original Budget</b>	\$ 24,450,859.00		
<b>Total Year-to-Date Changes to Appropriations</b>	\$ -		
<b>Current Change</b>	100,000.00		
	<b>\$ 100,000.00</b>		
<b>Total Year-To-Date Changes as a % of Original Budget Appropriations - General Fund</b>	<b>0.41%</b>		

Dated this 13<sup>th</sup> day of July 2022.

**MORROW COUNTY BOARD OF COMMISSIONERS**

\_\_\_\_\_  
 Jim Doherty, Chair

\_\_\_\_\_  
 Melissa Lindsay, Commissioner

\_\_\_\_\_  
 Don Russell, Commissioner





AGENDA ITEM COVER SHEET
Morrow County Board of Commissioners
(Page 1 of 2)

(For BOC Use)
Item #

Please complete for each agenda item submitted for consideration by the Board of Commissioners
(See notations at bottom of form)

Presenter at BOC: Ann Jones
Department: Fair
Short Title of Agenda Item:
(No acronyms please)

Date submitted to reviewers: 7/7/22
Requested Agenda Date: 7/13/22

sign contract for Challenge of Champions 2023

This Item Involves: (Check all that apply for this meeting.)
Order or Resolution
Ordinance/Public Hearing:
1st Reading 2nd Reading
Public Comment Anticipated:
Estimated Time:
Document Recording Required
Contract/Agreement
Appointments
Update on Project/Committee
Consent Agenda Eligible
Discussion & Action
Estimated Time:
Purchase Pre-Authorization
Other

N/A
Purchase Pre-Authorizations, Contracts & Agreements
Contractor/Entity: Push Enterprises, Inc.
Contractor/Entity Address: 584 Florence Roseburg, OR 97471
Effective Dates - From: March 18,2023 Through:
Total Contract Amount: \$19,250 Budget Line: 214-303-5-20-2607
Does the contract amount exceed \$5,000? Yes No

Reviewed By:

Ann Jones 7/7/22 Department Director Required for all BOC meetings
DATE
Administrator Required for all BOC meetings
DATE
County Counsel \*Required for all legal documents
DATE
Finance Office \*Required for all contracts; other items as appropriate.
DATE
Human Resources \*If appropriate
DATE

\*Allow 1 week for review (submit to all simultaneously). When each office has notified the submitting department of approval, then submit the request to the BOC for placement on the agenda.

Note: All other entities must sign contracts/agreements before they are presented to the Board of Commissioners (originals preferred). Agendas are published each Friday afternoon, so requests must be received in the BOC Office by 1:00 p.m. on the Friday prior to the Board's Wednesday meeting. Once this form is completed, including County Counsel, Finance and HR review/sign-off (if appropriate), then submit it to the Board of Commissioners Office.

**AGENDA ITEM COVER SHEET**  
**Morrow County Board of Commissioners**  
**(Page 2 of 2)**

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**1. ISSUES, BACKGROUND, DISCUSSION AND OPTIONS (IF ANY):**

The Fair Board would like to have the Challenge of Champions Bull riding tournament on March 18, 2023. Contract is the same as 2022.

**2. FISCAL IMPACT:**

\$19,250 will come out the fair special event budget line item 214-303-5-20-2607

**3. SUGGESTED ACTION(S)/MOTION(S):**

Sign the 2023 contract with Push Enterprises, Inc. to provide the Challenge of Champions bull riding tournament on March 18,2023.

Attach additional background documentation as needed.



## **PUSH Enterprises, Inc., Event Productions**

April 14, 2022

To: Morrow County Fair Board

PUSH Enterprises Inc. will be starting our 14th year in the bullriding production business. We have grown from a hometown bullriding of 3 events up to an average of 20 event in the Pacific Northwest! This phenomenal growth over the past years has proven that bullriding is craved by fans and our sponsorship partners are reaping the benefits of the marketing to this specific fan base.

The Challenge of Champions Tour has grown these past few years with the great Fair Boards like yourselves who continue to look at hiring us for their events. We are so excited to be able to produce an event in Morrow County Fairgrounds this year. Please call or email us at your convenience if you have questions or need clarification.

Respectfully,

Jason Mattox,  
President  
PUSH Enterprises, Inc.



# Contract

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This is a contract between PUSH Enterprises, Inc. and Morrow County Fair board who agrees to hire PUSH Enterprises, Inc. to produce a bullriding event held on March 18, 2023 at the Morrow County Fairgrounds.

**PUSH Enterprises, Inc. will be held responsible for event production as listed below:**

- Hiring Stock Contractors
- Hiring Announcer
- Hiring Bullfighters
- Hiring Timer
- Hiring Secretary
- Hiring Pick Up Men
- Hiring Chute Boss
- Freight on Bulls
- Added money for Cowboys
- Livestock Personnel
- Hiring Sound Technicians(with system)
- Hiring Judges
- Entries of Contestants
- **PUSH WILL BE LIABLE FOR ANY DAMAGED PANELS**
- **PUSH ALSO SUPPLIES OUR INSURANCE COVERAGE**
- Use of any equipment to setup, tear down or work the arena free of charge
- Sanctioned as an Official Challenge of Champions Tour Stop
- PUSH Enterprises Inc., will be allowed to put any official banners of our Tour Corporate sponsors in the arena during event



## PUSH Enterprises, Inc., Event Productions

### Morrow County Fair Board will be held responsible for:

- Hiring Ambulance/Sports Medicine can be either
- Promotion of event on all fairground's flyers, Radio, Web, Facebook, any advertising (Challenge of Champions Tour to aid in ideas)
- Hiring Security for the event 2hrs before and clearing crowd out after
- Provide Hay for Stock (40 Bails Alfalfa)
- Hiring Ticket Booth personnel
- Provide back gate security
- Provide Event Security
- Hotel accommodations for contract personnel 7 Rooms Friday and Saturday
- All Concession & Beverage sales go to Morrow Fair Board (Pendleton to be sold)
- All Ticket sales go to Morrow Fair Board
- All Sponsorships go to Morrow Fair Board

\*\*\*\*If the event is cancelled due to Covid19 related issues Morrow County Fair Board will not be held responsible to pay PUSH Enterprises, Inc., and the deposit will be refunded or put towards 2023 event.

\*\*\*\*10% deposit required at signing (will 100% be refunded if Covid19 cancels us

\*\*\*\*May need to bring arena if inside add \$4000 to this contract if change needed\*\*\*\*

Promoter and Producer: PUSH Enterprises, Inc., Jason Mattox the Challenge of Champions Tour. Morrow County Fair Board agrees to hire PUSH Enterprises, Inc., to produce and be paid \$19,250 for the March 18, 2023 event. Please have contract signed and sent back so we can begin preparing for a mutually beneficial and successful events. Thank you for this great opportunity to continue to be part of the Morrow County Fairgrounds.

\_\_\_\_\_  
Promoter: Morrow County Fair  
Board

\_\_\_\_\_  
Date

\_\_\_\_\_  
Producer: PUSH Enterprises, Inc.  
Jason Mattox

\_\_\_\_\_  
Date





**AGENDA ITEM COVER SHEET**  
**Morrow County Board of Commissioners**  
**(Page 2 of 2)**

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**1. ISSUES, BACKGROUND, DISCUSSION AND OPTIONS (IF ANY):**

Annual maintenance contract for our assessment and tax software.

**2. FISCAL IMPACT:**

Contract Amount \$56,462 Budgeted Amount \$96,500

**3. SUGGESTED ACTION(S)/MOTION(S):**

Approve contract with Helion Software and authorize Mike Gorman to sign.

Attach additional background documentation as needed.

## PROFESSIONAL SERVICES CONTRACT BETWEEN MORROW COUNTY AND HELION SOFTWARE, INC.

This contract is between Morrow County ("County") and Helion Software, Inc. ("Contractor"). County's supervising representative for this contract is the County Administrator or the Administrator's designee as noted in Paragraph 21, Notices. County and Contractor agree to the following:

**1. Effective Date and Duration.** This contract shall become effective on the date it has been signed by every party and when required, approved by the Morrow County Board of Commissioners, and once approved has an effective date starting July 1, 2022. Unless extended or earlier terminated, this contract shall expire when County has accepted Contractor's completed performance or on June 30, 2023, whichever date occurs last. However, expiration or termination shall not extinguish or prejudice County's right to enforce this contract with respect to: (a) any breach of Contractor warranty or indemnity; or (b) any default or defect in Contractor performance that has not been cured.

**2. Statement of Work.** The County and Contractor intend to contract for Assessment and Taxation Computer Software Services. Contractor shall perform the work ("Work") as set forth in the Statement of Work and these terms and conditions. The Statement of Work, including the delivery schedule for the Work, is contained in the attached Exhibit A.

### **3. Consideration.**

(a) The maximum, not-to-exceed compensation payable to Contractor under this Contract, which includes any allowable expenses, is \$52,892 payable according to Exhibit A. County will not pay Contractor any amount in excess of the not-to-exceed compensation for completing the Work, and will not pay for Work performed before the date this Contract becomes effective or after the termination of this Contract. If the maximum compensation is increased by amendment of this Contract, the amendment must be fully effective before Contractor performs Work subject to the amendment.

(b) All interim payments to Contractor shall be made only in accordance with the terms and conditions of this contract. Unless another schedule is stated in Exhibit A, the Statement of Work, Contractor shall submit monthly invoices to County for Work performed.

(c) Invoices shall describe all Work performed with particularity and by whom it was performed and shall itemize and explain all expenses that this Contract requires County to pay and for which Contractor claims reimbursement. Each invoice also shall include the total amount invoiced to date by Contractor prior to the current invoice. Contractor will specifically note in the appropriate invoice when it has requested payment for one-third and two-thirds of the maximum, not-to-exceed compensation. Contractor shall send invoices to the person designated in Paragraph 21, Notices.

**4. Travel and Other Expenses.** Travel and other expenses of the Contractor shall not be reimbursed by the County.

### **5. Independent Contractor; Responsibility for Taxes and Withholding; Retirement System Status.**

(a) Contractor shall perform all Work as an independent contractor. Although the County reserves the right (i) to determine (and modify) the delivery schedule for the Work and (ii) to evaluate the quality of the completed performance, the County cannot and will not control the means or manner of the Contractor's performance. The Contractor is responsible for determining the appropriate means and manner of performing the Work.

(b) If Contractor is currently performing work for the State of Oregon or the federal government, Contractor by signature to this Contract, represents and warrants that: Contractor's Work to be performed under this Contract creates no potential or actual conflict of interest as defined by ORS 244 and no statutes, rules or regulations of the state or federal agency for which Contractor currently performs work would prohibit Contractor's Work under this Contract.

(c) Contractor is not an "officer," "employee" or "agent" of the County, as those terms are used in ORS 30.265.

(d) Contractor shall be responsible for all federal or state taxes applicable to compensation or payments paid to Contractor under this Contract and, unless Contractor is subject to backup withholding, County will not withhold from such compensation or payments any amount(s) to cover Contractor's federal or state tax obligations. Contractor is not eligible for any social security, unemployment insurance or workers' compensation benefits from compensation or payments paid to Contractor under this Contract, except as a self-employed individual.

**6. Subcontracts and Assignment; Successors in Interest.** Contractor shall not enter into any subcontracts for any of the Work, and shall not assign, delegate or transfer any of its rights or obligations under this Contract without County's prior written consent. The provisions of this contract shall be binding upon and shall inure to the benefit of the parties hereto, and their respective successors and assigns, if any.

**7. No Third Party Beneficiaries.** County and Contractor are the only parties to this contract and are the only parties entitled to enforce its terms. Nothing in this contract gives, is intended to give, or shall be construed to give or provide any benefit or right not held by or made generally available to the public, whether directly, indirectly or otherwise, to third persons unless such third persons are individually identified by name herein and expressly described as intended beneficiaries of the terms of this contract.

**8. Funds Available and Authorized.** County has sufficient funds currently available and authorized for expenditure to finance the costs of this contract within the County's current annual budget. Contractor understands and agrees that County's payment of amounts under this contract attributable to work performed is contingent on County budgetary limitations and other expenditure authority sufficient to allow County, in the exercise of its reasonable administrative discretion, to continue to make payments under this contract. County may terminate this contract without penalty or liability to County, effective upon the delivery of written notice to Contractor, with no further liability if County determines that there are insufficient funds available to make payments under this contract.

**9. Representations and Warranties.** Contractor represents and warrants to County that (a) Contractor has the power and authority to enter into and perform this Contract, (b) this Contract, when executed and delivered, shall be a valid and binding obligation of Contractor enforceable in accordance with its terms, (c) Contractor has the skill and knowledge possessed by well-informed members of its industry, trade or profession and Contractor will apply that skill and knowledge with care and diligence to perform the Work in a professional manner and in accordance with standards prevalent in Contractor's industry, trade or profession, and (d) Contractor shall, at all times during the term of this Contract, be qualified, professionally competent, and duly licensed to perform the work. The warranties set forth in this section are in addition to, and not in lieu of, any other warranties provided.

**10. Default; Remedies; Termination.**

(a) **Default by Contractor.** Contractor shall be in default under this Contract if:

- (i) Contractor institutes or has instituted against it insolvency, receivership or bankruptcy proceedings, makes an assignment for the benefit of creditors, or ceases doing business on a regular basis; or
- (ii) Contractor no longer holds a license or certificate that is required for Contractor to perform its obligations under the Contract and Contractor has not obtained such license or certificate within fourteen (14) calendar days after County's notice or such longer period as County may specify in such notice; or
- (iii) Contractor commits any material breach or default of any covenant, warranty, obligation or agreement under this Contract, fails to perform the Work under this Contract within the time specified herein or any extension thereof, or so fails to pursue the Work as to endanger Contractor's performance under this Contract in accordance with its terms, and such breach, default or failure is not cured within fourteen (14) calendar days after County's notice, or such longer period as County may specify in such notice.

(b) **County's Remedies for Contractor's Default.** In the event Contractor is in default under Section 10.a, County may, at its option, pursue any or all of the remedies available to it under this Contract and at law or in equity, including, but not limited to:

- (i) termination of this Contract under Section 10e(ii);

- (ii) withholding all monies due for Work and Work Products that Contractor has failed to deliver within any scheduled completion dates or has performed inadequately or defectively;
- (iii) initiation of an action or proceeding for damages, specific performance, or declaratory or injunctive relief;
- (iv) exercise of its right of setoff.

These remedies are cumulative to the extent the remedies are not inconsistent, and County may pursue any remedy or remedies singly, collectively, successively or in any order whatsoever. If a court determines that Contractor was not in default under Sections 10a, then Contractor shall be entitled to the same remedies as if this Contract was terminated pursuant to Section 10e(i).

(c) **Default by County.** County shall be in default under this Contract if:

- (i) County fails to pay Contractor any amount pursuant to the terms of this Contract, and County fails to cure such failure within thirty (30) calendar days after Contractor's notice or such longer period as Contractor may specify in such notice; or
- (ii) County commits any material breach or default of any covenant, warranty, or obligation under this Contract, and such breach or default is not cured within thirty (30) calendar days after Contractor's notice or such longer period as Contractor may specify in such notice.

(d) **Contractor's Remedies for County's Default.** In the event County terminates the Contract under Section 10e(i), or in the event County is in default under Section 10c and whether or not Contractor elects to exercise its right to terminate the Contract under Section 10e(iii), Contractor's sole monetary remedy shall be (a) with respect to services compensable on an hourly basis, a claim for unpaid invoices, hours worked within any limits set forth in this Contract but not yet billed, authorized expenses incurred, and (b) with respect to deliverable-based Work, a claim for the sum designated for completing the deliverable multiplied by the percentage of Work completed and accepted by County, less previous amounts paid and any claim(s) that County has against Contractor. In no event shall County be liable to Contractor for any expenses related to termination of this Contract or for anticipated profits. If previous amounts paid to Contractor exceed the amount due to Contractor under this Section 10d, Contractor shall pay immediately any excess to County upon written demand.

(e) **Termination.**

(i) **County's Right to Terminate at its Discretion.** At its sole discretion, County may terminate this Contract:

- (A) For its convenience upon thirty (30) days' prior written notice by County to Contractor;
- (B) Immediately upon written notice if County fails to receive funding, appropriations, limitations, allotments or other expenditure authority at levels sufficient to pay for the Work or Work Products; or
- (C) Immediately upon written notice if federal or state laws, regulations, or guidelines are modified or interpreted in such a way that the County's purchase of the Work or Work Products under this Contract is prohibited or County is prohibited from paying for such Work or Work Products from the planned funding source.

(ii) **County's Right to Terminate for Cause.** In addition to any other rights and remedies County may have under this Contract, County may terminate this Contract immediately upon written notice by County to Contractor, or at such later date as County may establish in such notice, or upon expiration of the time period and with such notice as provided in Section 10e(ii)(B) and 10e(ii)(C) below, upon the occurrence of any of the following events:

- (A) Contractor is in default under Section 10a(i) because Contractor institutes or has instituted against it insolvency, receivership or bankruptcy proceedings, makes an assignment for the benefit of creditors, or ceases doing business on a regular basis;
- (B) Contractor is in default under Section 10a(ii) because Contractor no longer holds a license or certificate that is required for it to perform services under the Contract and Contractor has not obtained such license or certificate within fourteen (14) calendar days after County's notice or such longer period as County may specify in such notice; or

(C) Contractor is in default under Section 10a(iii) because Contractor commits any material breach or default of any covenant, warranty, obligation or agreement under this Contract, fails to perform the Work under this Contract within the time specified herein or any extension thereof, or so fails to pursue the Work as to endanger Contractor's performance under this Contract in accordance with its terms, and such breach, default or failure is not cured within fourteen (14) calendar days after County's notice, or such longer period as County may specify in such notice.

(iii) **Contractor's Right to Terminate for Cause.** Contractor may terminate this Contract with such written notice to County as provided in Sections 10e(iii)(A) and 10e(iii)(B) below, or at such later date as Contractor may establish in such notice, upon the occurrence of the following events:

(A) County is in default under Section 10c(i) because County fails to pay Contractor any amount pursuant to the terms of this Contract, and County fails to cure such failure within thirty (30) calendar days after Contractor's notice or such longer period as Contractor may specify in such notice; or

(B) County is in default under Section 10c(ii) because County commits any material breach or default of any covenant, warranty, or obligation under this Contract, fails to perform its commitments hereunder within the time specified or any extension thereof, and County fails to cure such failure within thirty (30) calendar days after Contractor's notice or such longer period as Contractor may specify in such notice.

(iv) **Return of Property.** Upon termination of this Contract for any reason whatsoever, Contractor shall immediately deliver to County all of County's property (including without limitation any Work or Work Products for which County has made payment in whole or in part) that is in the possession or under the control of Contractor in whatever stage of development and form of recordation such County property is expressed or embodied at that time. Upon receiving a notice of termination of this Contract, Contractor shall immediately cease all activities under this Contract, unless County expressly directs otherwise in such notice of termination. Upon County's request, Contractor shall surrender to anyone County designates, all documents, research or objects or other tangible things needed to complete the Work and the Work Products.

**11. Records Maintenance; Access.** Contractor shall maintain all financial records relating to this contract in accordance with generally accepted accounting principles. In addition, Contractor shall maintain any other records pertinent to this contract in such a manner as to clearly document Contractor's performance. Contractor acknowledges and agrees that County and their duly authorized representative shall have access to such financial records and to all other books, documents, papers, plans and writings of Contractor that are pertinent to this contract for the purpose of performing examinations and audits, and making excerpts and transcripts. All such financial records, books, documents, papers, plans, and writings shall be retained by Contractor and kept accessible for a minimum of 6 years, except as required longer by law, following final payment and termination of this contract, or until the conclusion of any audit, controversy or litigation arising out of or related to this contract, whichever date is later.

**12. Compliance with Applicable Law.** Contractor shall comply with all federal, state and local laws, regulations, executive orders and ordinances applicable to the Contract. Without limiting the generality of the foregoing, Contractor expressly agrees to comply with the following laws, regulations and executive orders to the extent they are applicable to the Contract: (a) Titles VI and VII of the Civil Rights Act of 1964, as amended; (b) Sections 503 and 504 of the Rehabilitation Act of 1973, as amended; (c) the Americans with Disabilities Act of 1990, as amended; (d) Executive Order 11246, as amended; (e) the Health Insurance Portability and Accountability Act of 1996; (f) the Age Discrimination in Employment Act of 1967, as amended, and the Age Discrimination Act of 1975, as amended; (g) the Vietnam Era Veterans' Readjustment Assistance Act of 1974, as amended; (h) ORS Chapter 659, as amended; (i) all regulations and administrative rules established pursuant to the foregoing laws; and (j) all other applicable requirements of federal and state civil rights and rehabilitation statutes, rules and regulations. These laws, regulations and executive orders are incorporated by reference herein to the extent that they are applicable to the Contract and required by law to be so incorporated. County's performance under the Contract is conditioned upon Contractor's compliance with the provisions of ORS 279B.220, 279B.225, 279B.230 and 279B.235 which are incorporated by reference herein.

**13. Foreign Contractor.** If the Contractor is not domiciled in or registered to do business in the State of Oregon, Contractor shall promptly provide to the Oregon Department of Revenue and the Secretary of



State Corporation Division all information required by those agencies relative to this Contract. The Contractor shall demonstrate its legal capacity to perform these services in the State of Oregon prior to entering into this contract.

**14. Governing Law; Jurisdiction; Venue.** This contract shall be governed and construed in accordance with the laws of Morrow County and the State of Oregon without resort to any jurisdiction's conflict of laws rules or doctrines. Any claim, action, suit or proceeding (collectively, "claim") between the County and the Contractor that arises from or relates to this contract shall be brought and conducted solely and exclusively within the Circuit Court of Morrow County for the State of Oregon. Provided, however, if the claim must be brought in a federal forum, then it shall be brought and conducted solely and exclusively with the United States District Court for the District of Oregon. Contractor by the signature below of its authorized representative, hereby consents to the *in personam* jurisdiction of said courts.

**15. Indemnity.** Contractor shall defend (with legal counsel of County's choice), save, hold harmless, and indemnify the Morrow County its officers, employees, agents, and members, from all claims, suits, losses, damages, liabilities, costs, expenses or actions, of any nature whatsoever resulting from, arising out of or relating to the activities of Contractor or its officers, employees, subcontractors, or agents under this contract.

**16. Insurance.** Contractor shall provide insurance as indicated on Exhibit C, attached hereto and incorporated by this reference.

**17. Ownership of Work Product.** All work of Contractor that results from this Contract (the "Work Product") is covered under the ORCATS Consortium contract.

**18. Severability.** If any term or provision of this Agreement is declared to be illegal or in conflict with any law, the validity of the remaining terms and provisions shall not be affected and the rights and obligations of the parties shall be construed and enforced as if the Agreement did not contain the particular term or provision held to be invalid.

**19. Waiver.** The failure of the County to enforce any provision of this contract shall not constitute a waiver by the County of that or any other provision.

**20. Amendments.** County may amend this Contract to the extent permitted by applicable statutes, administrative rule, and as provided in the solicitation documents, if any. The terms of this contract shall not be waived, altered, modified, supplemented or amended in any manner whatsoever, except by written instrument signed by the parties.

**21. Notices.** All notices to the respective parties shall either be personally delivered or sent certified mail to the following addresses:

Morrow County  
Mike Gorman  
Tax and Assessment  
PO Box 247  
Heppner, OR 97836  
phone: 541-676-5607

Helion Software, Inc.  
Murray Giesbrecht  
P.O. Box 3506  
Salem, OR 97302  
phone: 503.362.9394

**22. Survival.** All rights and obligations shall cease upon termination or expiration of this Contract, except those rights and obligations set forth in Sections 1, 7, 8, 9, 10, 11, 14, 15, 16, 17, 19, 22, 24 and 25.

**23. Time is of the Essence.** Contractor agrees that time is of the essence under this Contract.

**24. Force Majeure.** Neither County nor Contractor shall be held responsible for delay or default caused by fire, riot, acts of God, terrorist acts, or other acts of political sabotage, or war where such cause was beyond the reasonable control of County or Contractor, respectively. Contractor shall, however, make all reasonable efforts to remove or eliminate such a cause of delay or default and shall, upon the cessation of the cause,



diligently pursue performance of its obligations under this Contract.

**25. Attorney Fees.** In the event of a dispute between Contractor and County, each shall pay his or her own attorney fees. Attorney fees are not recoverable from the other party.

**26. Contractor Certification.** Contractor, by execution of this Contract, acknowledges that s/he has read this Contract, understands it, and agrees to be bound by its terms and conditions. Contractor shall complete the full certification attached and incorporated as Exhibit B.

IT IS SO AGREED:

_____	_____		<u>June 15, 2022</u>
Morrow County	Date	Murray Giesbrecht Helion Software, Inc.	Date

## Exhibit A: Statement of Work

### STATEMENT OF WORK, COMPENSATION PAYMENT TERMS and SCHEDULE

#### Section 1. Contractor's Services

Contractor's services are divided into TWO parts:

**Part 1 – ORCATS Base and Support** is for staff support per the agreement with the ORCATS consortium. Helion will work on and complete property assessment and tax projects and Support as described below in Section 2. Service Level Agreement.

**Part 2 – Discretionary Support Hours** for a maximum of 0 hours (at \$145.00/hour) of offsite/onsite staff for ORCATS support and program development for Morrow.

Estimates or Fix Bid Quotes will be provided upon County request for work performed under Part 2.

Work will be billed monthly.

For those projects that require less than 20 hours to complete Helion will notify Morrow County and after authorization will work on them. These will be "not to exceed" projects and Morrow County will not be responsible for any hours over 20.

For development projects that will require more than 20 hours to complete (or if Morrow County requests), Helion and Morrow County (and other consortium members) will work together to create a set of project requirements. Helion will then develop a fixed quote for the number of hours to complete the project. Helion will begin work on the project after Morrow County (and, if applicable, other consortium members) approve the quote. Project requirements should be sufficiently detailed to identify the deliverables, the cost in hours, and the timeframe for completion. The time required to develop the requirements will be charged directly against the Part 2 – Programming/Discretionary Support hours. The project requirements will include a project timeline indicating which tasks are the responsibility of Helion and which tasks are the responsibilities of the County(s).

Upon using the software in production, programming bugs (any programming functionality that does not perform to specification) as identified by Morrow County (or other consortium members) within 45 days or within a specified project timeline as established by mutual agreement between the Contractor and the County will be considered part of the original quote. Identification of a bug does not extend the acceptance period.

Any changes to requirements as agreed between Helion and Morrow County may cause an adjustment to the original quote. All Helion staff will be under the direct management of Helion and would be required to follow all of Helion's procedures and policies. Helion is in the process of developing these policies and procedures and will provide Morrow County a copy of those that are relevant to the work described in this contract as they become available or change. Helion will work on whatever Morrow County requested as long as it is within those policies and procedures. Typical uses would be programming projects unique to Morrow County (or groups of consortium members) and additional programming on projects of special interest to Morrow County (or groups of consortium members).

Additional 150 hour blocks of time may be purchased throughout the year given 60 days notice. Helion will give a good faith effort to provide the additional requested hours in as few a days as possible.

The Contractor shall provide the County with monthly reports on hours of service by project and by description. Should multiple counties be paying for the program development, the service hour reports should include all hours assessed to the project for all of the involved counties.

## **Section 2. Service Level Agreement**

### 1. Supported Software and Maintenance

1.01 Supported Software: Unless stated otherwise, Helion will provide support for all software listed below:

- Helion Start Menu
- Deployer
- Account Manager
- Real Value Voucher
- Ratio Study
- Real Land Schedules
- Real Sales
- Trend Finder
- Real Librarian
- Real Value Indexes
- Real Value Recalc
- MS Ledger Voucher
- Personal Vouchers
- Utility Ledger Voucher
- Utility Values
- Utility Input
- Address Parser
- Appraisal Maintenance
- Appraisal Reports
- Assessor Reports
- Name Parser
- Lookup Table Maintenance
- Name Parser
- Property Query
- Web Property Query
- Custom Query
- Image Processing
- ORCATS Integration Services
- File Service
- Data Exchange
- Interested Party
- Lender Code Maintenance
- Tax Notation Maintenance
- Tax Receipts
- Tax Reports
- Tax Voucher
- Turnover Distribution
- Tax Receipt Image Loader

Tax Balance Service  
Prepaid Tax Processing  
Tax Rate Calculation  
Tax Amount Calculation  
Tax District Adjustments  
Tax Statements  
Assessment and Tax Database Views

- 1.02 Maintenance shall include providing County with new releases, updates, and corrections to the Software, including the Software documentation. Maintenance shall also include necessary assistance and consultation to assist County in resolving problems with the use of the Software including the verification, diagnosis and correction of errors and defects in the Software. Maintenance shall include third party software bundled with the ORCATS system, as well as updates to documentation.
- 1.03 Helion shall correct any defect or error or non-conformity comprising a problem by, among other things, supplying to County and installing such corrective codes and making such additions, modifications or adjustments to the Software as may be necessary to keep the Software in operating order and in conformity with the warranties contained in this Agreement.

The corrective services provided by Helion may include:

- Providing a resolution to the problem immediately; or
  - Providing documented clear steps that county staff can reasonably take to correct the problem; or
  - Following analysis, providing documented clear steps toward problem resolution; or
  - Performing configuration changes to the Helion software; or
  - Modifying corrupt data caused by a defect in the software.
- 1.04 Helion will provide support for modifications or specialized features made at the request of the County and performed by Helion.
- 1.05 All modifications or specialized features made at the request of the County and performed by Helion will be ported to and supported in all future versions and releases of the Software unless authorized in writing from the County.
- 1.06 Any changes to comply with legal requirements will be performed under Section 1, Part 1.
- 1.07 Helion will assist County with the following Data Manipulation either directly or by providing an application so the County can perform the tasks themselves:
- Changing a value from Entered to Calculated or Calculated to Entered at the following levels:

- Improvement
- Accessories
- Floor
- Inventory
- Land Fragment
- OSD
- Changing a Neighborhood Code
- Changing an Improvement, Land Fragment or OSD from Trendable to Non-Trendable or Non-Trendable to Trendable
- Change one RMV class to another
- Bulk load LCM Schedules

Selection will be by either a County selected set of Neighborhood Codes or by a County selected set of Property Account Id's. The Property Account Id's must be in a CR/LF delimited text file. (Map and Taxlots are not considered Property Account Id's.)

## 2.00 Database Maintenance

2.01 Helion will provide on-going consulting on procedures for the backup and restoration of all databases required to run the ORCATS software.

2.02 Helion will consult with the County technical staff as needed on the status of all databases required to run the ORCATS software and ensure that all database indexes and database features are configured appropriately to ensure the proper functioning of all Helion supported software.

2.03 If requested, Helion will ensure that database backups are performed prior to any modification to the database structure and/or schema as part the implementation of new ORCATS software through new version release or problem resolution.

2.04 Helion will perform all database repair and recovery due to database corruption, malfunction, or inconsistency brought about by implementation of new ORCATS software through new version release or problem resolution, by defects in or improper functioning of the client software, or by third party software used within any Helion supported software.

2.05 The obligations described in Sections 1.00 through 2.05 are hereafter referred to as "Maintenance."

## 3.00 Response Times and System Access

3.01 Unless visit was requested by the County, Helion will provide the County IT Division with 2 days notice prior to performing a site visit to perform software upgrades or modifications to the database or the client software.

3.02 County shall notify Helion, either by telephone or in writing or email, of any

deficiency and shall provide any other information that Helion may reasonably request in determining the nature of the deficiency. Helion shall commence correction of such deficiency in accordance with this section. Helion will provide problem resolution through telephone, electronic, remote and onsite assistance to the County designated representatives. Resolving the problem may include the initial contact and any subsequent contact and actions necessary to address the initial issue for the County. Helion will provide the County with a local telephone or toll-free telephone number, an email address, and a designated point of contact to receive calls or e-mails for trouble reports. The County shall designate authorized callers (who may change from time to time) for access to the telephone support.

- 3.03 The County agrees to provide Helion with VPN access or through other secure electronic access technology and services at the County's expense for purposes of Helion's fulfillment of its maintenance obligations. Such access shall not result in the unnecessary or unreasonable disruption of the County's business operations.
- 3.04 Helion will respond to system problems that do not prevent normal daily operation of the system (Non- Emergency Response) within 16 business hours of the receipt of the trouble call.
- 3.05 On-Site Support. In an emergency or if all other support options fail, Helion shall have a technician on-site within one (1) business day of a request from the County. This does not apply to Down System events, as described in Section 3.06.
- 3.06 Down-System Response: The system is considered "down" when any part of the system prevents daily operation ("Down System"). Helion shall respond within two business hours of telephone notification. Response may be by telephone.
- 3.07 Normal Support Hours: At all times from 8:00 a.m. to 5:00 pm Pacific Standard Time (PST) (note: Pacific Daylight Saving Time (PDST) when in effect) weekdays. The hours of Support shall not include New Year's Day, Memorial Day, Independence Day, Labor Day, Veterans Day, Thanksgiving, and Christmas Day.
- 3.08 Helion will provide Tax Season assistance to ensure the timely completion of tax amount calculation, statement printing and state reporting.
- 3.09 Helion will provide support for and is solely responsible for the proper functioning, licensing and distribution of additional or third party software used within their products or distributed with their products as a component of their software. Helion guarantees the functioning of this third party software as a component of their software.
- 3.10 Helion is not liable for any failure or delay in performance due to any cause beyond its control.
- 3.11 The obligations described in Sections 3.00 through 3.11 are hereafter referred to as "Support."
- 4.00 County's Responsibilities
- 4.01 To receive Maintenance and Support, the County is responsible for complying with the following:

- The situation giving rise to the question is reproducible or a documented history

of the same event has been provided;

- The hardware and client workstation operating systems meet minimum Helion requirements as published and distributed with each ORCATS version update;
- County designated representatives will submit all questions to Helion;
- County designated representatives must have knowledge regarding the facts and circumstances surrounding the incident;
- The full system, including software and hardware, is available to the County representative and accessible by him or her without limit during any telephone discussions with Helion support personnel;
- The County representative will follow the instructions and suggestions of Helion's support personnel, using the full system.

4.02 County will provide remote electronic access using VPN access through Internet connection (this is the preferred method) or will provide remote electronic access using other technologies and services that meet County's security requirements.

4.03 Helion must have received payment per this Agreement, Section 3, Paragraph 2.

4.04 If the resolution of a problem requires the installation of a newer version of the product, the County agrees that Helion may install the new version as part of the resolution process, depending upon the urgency of the problem resolution.

5.00 Services NOT Covered by Helion Under Part 1

5.01 Helion is not responsible for support in instances in which the County has made significant changes to the computing environment without consultation with Helion or in which the County has made significant client workstation configuration changes, such as Operating System version updates or Microsoft Office version updates, without consultation with Helion.

5.02 Helion is not responsible for remote or on-site training assistance unless specifically arranged through a separate services contract with Helion.

5.03 Helion is not responsible for software support on any products that are not part of the ORCATS system. Examples include Deschutes Download, County's web sites, Microsoft Office, etc.

5.04 The following services are excluded from coverage under Part 1:

- Creation of new Custom Queries
- Importing data or images
- Manipulation of data unless covered under section 1.03 or 1.07 above
- Display changes to forms, reports, letters or export
- Onsite Installation



- A&T View Access Database

5.05 Helion is not responsible to maintain compatibility with any application not listed as part of the ORCATS system. Helion will make a good faith effort to notify the County of any incompatibility between ORCATS and third party software.

### **Section 3 Schedule and Payment Terms**

1. Effective Date and Duration: Contractor's services will begin on July 1, 2022. Unless earlier terminated or extended, this contract shall expire on June 30, 2023 or when Contractor's completed performance has been accepted by County. However, such expiration shall not extinguish or prejudice County's right to enforce this contract with respect to: (a) any breach of a Contractor warranty; or (b) any default or defect in Contractor's performance that has not been cured.
2. Compensation by the County: Payment for all work performed under this contract shall be made as set forth below from available and authorized County funds, and shall not exceed the maximum sum of \$56,462 for Part 1 and \$0 for Part 2, \$56,462 in Total. Travel and other expenses of the Contractor shall not be reimbursed by County unless specifically provided herein as a supplementary condition.
  1. Interim payments shall be made to Contractor following County's review and approval of billings submitted by Contractor. Contractor will also submit copies of other billings for work performed under the contract when such bills are to be paid by other parties. These other billings are not subject to the maximum compensation amount of this contract.
  2. Contractor shall not submit billings for, and County will not pay, any amount in excess of the maximum compensation amount of this contract, including any travel and other expense when noted below. If the maximum compensation amount is increased by amendment of this contract, the amendment must be fully effective before Contractor performs work subject to the amendment. Contractor shall notify County's supervising representative in writing 30 calendar days before this contract expires of the upcoming expiration of the contract. No payment will be made for any services performed before the beginning date or after the expiration date of this contract. This contract will not be amended after the expiration date.
  3. Contractor shall submit a separate annual billing for Part 1. Billing for Part 1 will be for the contract total for Part 1. Billing for Part 2 will be based upon projects identified. Projects done as "not to exceed" quotes and requirement development will be billed monthly as they occur. Contractor will bill for other Part 2 hours as they occur. Payment structure may be adjusted with advance consent of County and Contractor. Billings shall be sent to the supervising representative.



## STATUTORY PUBLIC CONTRACT PROVISIONS

1. Contractor shall pay promptly, as due, all persons supplying labor or materials for the prosecution of the work provided for in the contract, and shall be responsible for such payment of all persons supplying such labor or material to any subcontractor. If Contractor fails, neglects or refuses to make prompt payment of any claim for labor or materials furnished to the contractor or a subcontractor by any person in connection with the contract as such claim becomes due, the Owner may pay such claim to the persons furnishing the labor or materials and charge the amount of payment against funds due or to become due contractor by reason of the contract. The payment of a claim in the manner authorized hereby shall not relieve the contractor or his surety from his or its obligation with respect to any unpaid claim. If the owner is unable to determine the validity of any claim for labor or materials furnished, the owner may withhold from any current payment due contractor an amount equal to said claim until its validity is determined and the claim, if valid, is paid.
2. Contractor shall promptly pay all contributions or amounts due the Industrial Accident Fund from such contractor or subcontractor incurred in the performance of the contract, and shall be responsible that all sums due the State Unemployment Compensation Fund from contractor or any subcontractor in connection with the performance of the contract shall promptly be paid.
3. Contractor shall not permit any lien or claim to be filed or prosecuted against the owner on account of any labor or materials furnished and agrees to assume responsibility for satisfaction of any such lien so filed or prosecuted.
4. Contractor and any subcontractor shall pay to the Department of Revenue all sums withheld from employees pursuant to ORS 316.167.
5. If this contract involves lawn and landscape maintenance, Contractor shall salvage, recycle, compost or mulch yard waste material at an approved site, if feasible and cost effective.
6. Contractor shall promptly, as due, make payment to any person, co-partnership, association, or corporation furnishing medical surgical and hospital care or other needed care and attention, incident to sickness or injury, to employees of such contractor, of all sums which the contractor agrees to pay for such services and all monies and sums which the contractor collected or deducted from the wages of employees pursuant to any law, contract or Agreement for the purpose of providing or paying for such service.

7. Contractor shall employ no person for more than ten (10) hours in any one day, or forty (40) in any one week, except in cases of necessity, emergency or where public policy absolutely requires it.

Contractor's employees shall be paid at least time and a half for all overtime worked in excess of forty (40) hours in any one week, except for individuals under Personal Services Contracts who are excluded under ORS 653.010 to 653.261 or under 29 USC 201 to 209 from receiving overtime.

Persons employed by Contractor shall receive at least time and a half pay for work performed on legal holidays specified in a collective bargaining agreement or in ORS 279C.540(1)(b)(B) to (G) and for all time worked in excess of ten (10) hours in any one day or in excess of forty (40) hours in any one week, whichever is greater.

8. The contractor must give notice to employees who work on this contract in writing, either at the time of hire or before commencement of work on the contract, or by posting a notice in a location frequented by employees, of the number of hours per day and the days per week that the employees may be required to work.
9. All employers working under the contract are either subject employers who will comply with ORS 656.017 or employers that are exempt under ORS 656.126.
10. The contract may be cancelled at the election of owner for any willful failure on the part of contractor to faithfully perform the contract according to its terms.

**Exhibit B: W-9 FORM**

Form <b>W-9</b> (Rev. October 2018) Department of the Treasury Internal Revenue Service	<b>Request for Taxpayer                  Identification Number and Certification</b>  ▶ Go to <a href="http://www.irs.gov/FormW9">www.irs.gov/FormW9</a> for instructions and the latest information.	<b>Give Form to the                  requester. Do not                  send to the IRS.</b>
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Print or type. See Specific Instructions on page 3.	1 Name (as shown on your income tax return). Name is required on this line; do not leave this line blank. <b>Helion Software, Inc.</b>	
	2 Business name/disregarded entity name, if different from above	
	3 Check appropriate box for federal tax classification of the person whose name is entered on line 1. Check only <b>one</b> of the following seven boxes.  <input type="checkbox"/> Individual/sole proprietor or single-member LLC <input checked="" type="checkbox"/> C Corporation <input type="checkbox"/> S Corporation <input type="checkbox"/> Partnership <input type="checkbox"/> Trust/estate  <input type="checkbox"/> Limited liability company. Enter the tax classification (C=C corporation, S=S corporation, P=Partnership) ▶ <u>C</u> <small>Note: Check the appropriate box in the line above for the tax classification of the single-member owner. Do not check LLC if the LLC is classified as a single-member LLC that is disregarded from the owner unless the owner of the LLC is another LLC that is <b>not</b> disregarded from the owner for U.S. federal tax purposes. Otherwise, a single-member LLC that is disregarded from the owner should check the appropriate box for the tax classification of its owner.</small>  <input type="checkbox"/> Other (see instructions) ▶	4 Exemptions (codes apply only to certain entities, not individuals; see instructions on page 3):  Exempt payee code (if any) _____  Exemption from FATCA reporting code (if any) _____  <small>(Applies to accounts maintained outside the U.S.)</small>
	5 Address (number, street, and apt. or suite no.) See instructions. <b>PO Box 3506</b>	Requester's name and address (optional)
	6 City, state, and ZIP code <b>Salem, OR 97302</b>	
	7 List account number(s) here (optional)	

<b>Part I Taxpayer Identification Number (TIN)</b>	<b>Social security number</b>										
Enter your TIN in the appropriate box. The TIN provided must match the name given on line 1 to avoid backup withholding. For individuals, this is generally your social security number (SSN). However, for a resident alien, sole proprietor, or disregarded entity, see the instructions for Part I, later. For other entities, it is your employer identification number (EIN). If you do not have a number, see <i>How to get a TIN</i> , later.	<table border="1" style="width:100%; border-collapse: collapse;"> <tr> <td style="width:25%; height: 20px;"> </td> <td style="width:25%; height: 20px;"> </td> <td style="width:25%; height: 20px;"> </td> <td style="width:25%; height: 20px;"> </td> </tr> <tr> <td align="center">-</td> <td align="center">-</td> <td align="center">-</td> <td align="center">-</td> </tr> </table>					-	-	-	-		
-	-	-	-								
<b>Note:</b> If the account is in more than one name, see the instructions for line 1. Also see <i>What Name and Number To Give the Requester</i> for guidelines on whose number to enter.	or <b>Employer identification number</b> <table border="1" style="width:100%; border-collapse: collapse;"> <tr> <td style="width:12.5%; text-align: center;">9</td> <td style="width:12.5%; text-align: center;">3</td> <td style="width:12.5%; text-align: center;">-</td> <td style="width:12.5%; text-align: center;">1</td> <td style="width:12.5%; text-align: center;">2</td> <td style="width:12.5%; text-align: center;">9</td> <td style="width:12.5%; text-align: center;">8</td> <td style="width:12.5%; text-align: center;">3</td> <td style="width:12.5%; text-align: center;">7</td> <td style="width:12.5%; text-align: center;">6</td> </tr> </table>	9	3	-	1	2	9	8	3	7	6
9	3	-	1	2	9	8	3	7	6		

<b>Part II Certification</b>
Under penalties of perjury, I certify that:
1. The number shown on this form is my correct taxpayer identification number (or I am waiting for a number to be issued to me); and 2. I am not subject to backup withholding because: (a) I am exempt from backup withholding, or (b) I have not been notified by the Internal Revenue Service (IRS) that I am subject to backup withholding as a result of a failure to report all interest or dividends, or (c) the IRS has notified me that I am no longer subject to backup withholding; and 3. I am a U.S. citizen or other U.S. person (defined below); and 4. The FATCA code(s) entered on this form (if any) indicating that I am exempt from FATCA reporting is correct.
<b>Certification instructions.</b> You must cross out item 2 above if you have been notified by the IRS that you are currently subject to backup withholding because you have failed to report all interest and dividends on your tax return. For real estate transactions, item 2 does not apply. For mortgage interest paid, acquisition or abandonment of secured property, cancellation of debt, contributions to an individual retirement arrangement (IRA), and generally, payments other than interest and dividends, you are not required to sign the certification, but you must provide your correct TIN. See the instructions for Part II, later.

<b>Sign Here</b>	Signature of U.S. person ▶ <i>Ramona Qualls</i>	Date ▶ <b>6/16/2022</b>
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<b>General Instructions</b> Section references are to the Internal Revenue Code unless otherwise noted.  <b>Future developments.</b> For the latest information about developments related to Form W-9 and its instructions, such as legislation enacted after they were published, go to <a href="http://www.irs.gov/FormW9">www.irs.gov/FormW9</a> .  <b>Purpose of Form</b> An individual or entity (Form W-9 requester) who is required to file an information return with the IRS must obtain your correct taxpayer identification number (TIN) which may be your social security number (SSN), individual taxpayer identification number (ITIN), adoption taxpayer identification number (ATIN), or employer identification number (EIN), to report on an information return the amount paid to you, or other amount reportable on an information return. Examples of information returns include, but are not limited to, the following.	<ul style="list-style-type: none"> <li>• Form 1099-DIV (dividends, including those from stocks or mutual funds)</li> <li>• Form 1099-MISC (various types of income, prizes, awards, or gross proceeds)</li> <li>• Form 1099-B (stock or mutual fund sales and certain other transactions by brokers)</li> <li>• Form 1099-S (proceeds from real estate transactions)</li> <li>• Form 1099-K (merchant card and third party network transactions)</li> <li>• Form 1098 (home mortgage interest), 1098-E (student loan interest), 1098-T (tuition)</li> <li>• Form 1099-C (canceled debt)</li> <li>• Form 1099-A (acquisition or abandonment of secured property)</li> </ul> Use Form W-9 only if you are a U.S. person (including a resident alien), to provide your correct TIN.  If you do not return Form W-9 to the requester with a TIN, you might be subject to backup withholding. See What is backup withholding, later.
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## Exhibit C: INSURANCE

During the term of this contract Contractor shall maintain in force at Contractor's own expense, each insurance noted below:

**1. Workers Compensation Insurance** is required for Contractors that employ subject workers, as defined in ORS 656.027. All those Contractors shall comply with ORS 656.017 and shall provide workers' compensation insurance coverage for those workers, unless they meet the requirement for an exemption under ORS 656.126(2). Contractor shall require and ensure that each of its subcontractors complies with these requirements.

### 2. Professional Liability Insurance:

is not required.

is required with a combined single limit or the equivalent, of not less than:

\$200,000       \$500,000       \$1,000,000       \$2,000,000

for each claim, incident or occurrence. This is to cover damages caused by error, omission or negligent acts related to the services to be provided under this contract.

### 3. General Liability Insurance:

is not required.

is required with a combined single limit or the equivalent, of not less than:

\$200,000       \$500,000       \$1,000,000       \$2,000,000

for each claim, incident or occurrence.

### 4. Automobile Liability Insurance:

is not required.

is required with a combined single limit or the equivalent, of not less than:

Oregon Financial Responsibility Law (ORS 806.070)  
 \$200,000  
 \$500,000  
 \$1,000,000

each accident for Bodily Injury and Property Damage, including coverage for owned, hired or non-owned vehicles, as applicable.

**5. Notice of cancellation or change.** There shall be no cancellation, material change, reduction of limits or intent not to renew the insurance coverage(s) without 30 days written notice from the Contractor or its insurer(s) to County.

**6. Certificates of insurance.** As evidence of the insurance coverages required by this contract, the Contractor shall furnish acceptable insurance certificates to County within 30 days of signing this contract. The certificate will specify all of the parties who are Additional Insureds. Insuring companies or entities are subject to County acceptance. If requested, complete copies of insurance policies, trust agreements, etc. shall be provided to the County. The Contractor shall be financially responsible for all pertinent deductibles, self-insured retentions and/or self-insurance.

REVISED 11/2007



AGENDA ITEM COVER SHEET
Morrow County Board of Commissioners
(Page 1 of 2)

(For BOC Use)
Item #

Please complete for each agenda item submitted for consideration by the Board of Commissioners
(See notations at bottom of form)

Presenter at BOC:
Department:
Short Title of Agenda Item:
(No acronyms please)

Date submitted to reviewers:
Requested Agenda Date:

This Item Involves: (Check all that apply for this meeting.)
List of checkboxes for various agenda items: Order or Resolution, Ordinance/Public Hearing, 1st Reading, 2nd Reading, Public Comment Anticipated, Estimated Time, Document Recording Required, Contract/Agreement, Appointments, Update on Project/Committee, Consent Agenda Eligible, Discussion & Action, Estimated Time, Purchase Pre-Authorization, Other.

Contractor/Entity:
Contractor/Entity Address:
Effective Dates - From: Through:
Total Contract Amount: Budget Line:
Does the contract amount exceed \$5,000? Yes No
Purchase Pre-Authorizations, Contracts & Agreements

Reviewed By:

Department Director Required for all BOC meetings
Liaison Commissioner Required for all BOC meetings
County Counsel \*Required for all legal documents
Finance Office \*Required for all contracts; other items as appropriate.
Human Resources \*If appropriate

\*Allow 1 week for review (submit to all simultaneously). When each office has notified the submitting department of approval, then submit the request to the BOC for placement on the agenda.

Note: All other entities must sign contracts/agreements before they are presented to the Board of Commissioners (originals preferred). Agendas are published each Friday afternoon, so requests must be received in the BOC Office by 1:00 p.m. on the Friday prior to the Board's Wednesday meeting. Once this form is completed, including County Counsel, Finance and HR review/sign-off (if appropriate), then submit it to the Board of Commissioners Office.

# AGENDA ITEM COVER SHEET

Morrow County Board of Commissioners

(Page 2 of 2)

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**1. ISSUES, BACKGROUND, DISCUSSION AND OPTIONS (IF ANY):**

**2. FISCAL IMPACT:**

**3. SUGGESTED ACTION(S)/MOTION(S):**

Attach additional background documentation as needed.

**BEFORE THE BOARD OF COMMISSIONERS  
FOR MORROW COUNTY, OREGON**

IN THE MATTER OF REFERRING BAN ON )  
PSILOCYBIN SERVICE CENTERS AND THEN )           ORDINANCE NO. ORD-2022-2  
MANUFACTURE OF PSILOCYBIN PRDUCTS )  
TO AN ELECTION )

**WHEREAS**, in November 2020, Oregon voters approved Ballot Measure 109, known as the Oregon Psilocybin Service Act (codified at ORS 475A), which allows for the manufacture, delivery and administration of psilocybin at licensed facilities;

**WHEREAS**, the vote in Morrow County on Ballot Measure 109 was 1,689 (34%) in favor and 3,263 (66%) in opposition

**WHEREAS**, ORS 475A.235 provides that the Oregon Health Authority will regulate the manufacturing, transportation, delivery, sale and purchase of psilocybin products and the provision of psilocybin services in the state;

**WHEREAS**, the Oregon Health Authority has initiated a rulemaking process to implement the state's psilocybin regulatory program and intends to begin accepting applications for psilocybin-related licenses on January 2, 2023;

**WHEREAS**, as of this date, the Oregon Health Authority has not completed the rulemaking process for implementing the state's psilocybin regulatory program, and Morrow County is uncertain how the manufacture, delivery and administration of psilocybin at licensed psilocybin facilities will operate within the County;

**WHEREAS**, ORS 475A.718 provides that a governing body of a county or city council may adopt an ordinance to be referred to the electors of the city or county prohibiting the establishment of state licensed psilocybin product manufacturers and/or psilocybin service centers in the area subject to the jurisdiction of the city or in the unincorporated area subject to the jurisdiction of the county;

**WHEREAS**, based on the previous vote on Ballot Measure 109, the Morrow County Board of Commissioner seeks to refer to the voters of Morrow County the question of whether to establish a ban on state-licensed psilocybin product manufacturers and psilocybin service centers within the unincorporated areas of Morrow County.



**NOW, THEREFORE, THE MORROW COUNTY BOARD OF COMMISSIONERS  
ORDAINS AS FOLLOWS:**

1. The establishment of psilocybin product manufacturers licensed under ORS 275A.290 and psilocybin service centers licensed under ORS 475A.305 is prohibited in the unincorporated areas of Morrow County.
2. This ordinance is referred to the electors of Morrow County for approval at the next statewide general election on November 8, 2022.
3. This ordinance takes effect and becomes operative 30 days after the day on which it is approved by a majority of voters.

FURTHER by unanimous vote of those present, the Board of Commissioners deems this Ordinance necessary for the immediate preservation of public peace, health, and safety; therefore, it is adjudged and decreed that an emergency does exist in the case of this Ordinance.

**Dated this 13<sup>th</sup> Day of July, 2022**

**BOARD OF COMMISSIONERS  
MORROW COUNTY, OREGON**

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Jim Doherty, Chair

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Melissa Lindsay, Commissioner

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Don Russell, Commissioner



# November 3, 2020, General Election Abstract of Votes

## Measure 109

**Allows manufacture, delivery, administration of psilocybin at supervised, licensed facilities; imposes two-year development period**

County	*Yes	No
Baker	3,479	6,073
Benton	32,276	18,639
Clackamas	128,890	117,098
Clatsop	12,707	10,388
Columbia	15,827	15,307
Coos	16,034	19,334
Crook	5,301	9,643
Curry	7,234	7,123
Deschutes	63,841	57,064
Douglas	24,751	37,386
Gilliam	408	739
Grant	1,487	2,969
Harney	1,283	3,007
Hood River	7,964	4,632
Jackson	62,692	59,774
Jefferson	4,662	6,811
Josephine	22,615	26,225
Klamath	14,056	21,268
Lake	1,209	2,955
Lane	127,241	85,262
Lincoln	17,055	12,535
Linn	31,423	38,814
Malheur	3,475	7,890
Marion	78,389	80,216
<b>Morrow</b>	<b>1,689</b>	<b>3,263</b>
Multnomah	318,425	128,871
Polk	22,730	24,039
Sherman	400	762
Tillamook	8,429	7,916
Umatilla	11,330	20,126
Union	5,453	8,921
Wallowa	1,742	3,249
Wasco	6,880	6,713
Washington	180,112	124,626
Wheeler	323	604
Yamhill	28,245	27,957
Total	1,270,057	1,008,199

\*Indicates Passage or Nonpassage of Measure

# Ballot Measure 109

## Oregon Psilocybin Services Act

Directs the Oregon Health Authority to license and regulate the manufacture, delivery, purchase, and consumption of psilocybin at licensed psilocybin service centers.

Psilocybin is an FDA designated breakthrough therapy for treatment of resistant depression and major depressive disorder.

A person at least 21 years of age may purchase, possess, consume, and experience the effects of psilocybin only at a licensed psilocybin service center during a psilocybin administration session with a licensed psilocybin service facilitator.

Does not legalize the purchase, possession, and consumption of psilocybin outside of a licensed premises.

# Ballot Measure 109 Oregon Psilocybin Services Act

Passed November 3, 2020 / Effective January 1, 2023

**Morrow County: 1689 yes 3263 no**

**Morrow County by precincts:**

- Boardman 535 yes 824 no
- Irrigon 584 yes 1088 no
- Lexington 75 yes 292 no
- Lone 114 yes 268 no
- Heppner 381 yes 791 no

IM 109 is codified in ORS Chapter 475A.

IM 109 and ORS Chapter 475A are patterned after Oregon's marijuana statutes and regulatory system.

County may refer an ordinance to the voters to prohibit or allow the establishment of licensed psilocybin facilities.

County may adopt ordinances to impose reasonable (time-place-manner) regulations on the operation of licensed establishments.

# Oregon Psilocybin Services Act

## County Regulation

**Opt-out under ORS 475A.718:** ORS 475A will become effective beginning January 1, 2023, unless Morrow County voters elect to “opt out” in the upcoming November general election. The deadline to get a measure on the ballot is August, 19, 2022. If there is interest in putting the question on the ballot, drafting should begin soon.

**Time-Place-Manner (TPM) regulations under ORS 475A.530:** The regulatory framework and TPM regulations permitted by statute are largely the same as those for marijuana businesses.

**County Ordinances:** Some County Ordinances may need to be amended to establish land use regulations and standards regarding psilocybin production and “psilocybin service centers.”



# Oregon Psilocybin Services Act

## Land Use Issues

Land Use Compatibility Statement (LUCS) Required:

- An application for a production license or a license to operate a “psilocybin service center” requires that the County sign a land use compatibility statement to indicate whether the use is permitted at the proposed location.

Psilocybin-producing fungi is a farm crop for the purposes of “farm use” as defined in ORS 215.203.

Psilocybin production must occur indoors.

AN ACT

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



SECTION 1. Findings.

The People of the State of Oregon find that:

- (1) Oregon has the one of the highest prevalence of mental illness among adults in the nation;
- (2) An estimated one in every five adults in Oregon is coping with a mental health condition;
- (3) The Governor has declared addiction as a public health crisis in this state;
- (4) The 2019–2021 Governor’s Budget proposes spending over \$2.8 billion on mental health and behavioral health programs;
- (5) Studies conducted by nationally and internationally recognized medical institutions indicate that psilocybin has shown efficacy, tolerability, and safety in the treatment of a variety of mental health conditions, including but not limited to addiction, depression, anxiety disorders, and end-of-life psychological distress;
- (6) The United States Food and Drug Administration has:
  - (a) Determined that preliminary clinical evidence indicates that psilocybin may demonstrate substantial improvement over available therapies for treatment-resistant depression; and
  - (b) Granted a Breakthrough Therapy designation for a treatment that uses psilocybin as a therapy for such depression;
- (7) The Oregon Health Authority has direct supervision of all matters relating to the preservation of life and health of the people of this state;
- (8) During a two-year program development period, the authority should:
  - (a) Examine, publish, and distribute to the public available medical, psychological, and scientific studies, research, and other information relating to the safety and efficacy of psilocybin in treating mental health conditions; and
  - (b) Adopt rules and regulations for the eventual implementation of a comprehensive regulatory framework that will allow persons 21 years of age and older in this state to be provided psilocybin services; and
- (9) An advisory board should be established within the authority for the purpose of advising and making recommendations to the authority.



## **SECTION 2. Purposes of this 2020 Act.**

(1) The People of the State of Oregon declare that the purposes of this 2020 Act are:

(a) To educate the people of this state about the safety and efficacy of psilocybin in treating mental health conditions;

(b) To reduce the prevalence of mental illness among adults in this state, and to improve the physical, mental, and social well-being of all people in this state;

(c) To develop a long-term strategic plan for ensuring that psilocybin services will become and remain a safe, accessible and affordable therapeutic option for all persons 21 years of age and older in this state for whom psilocybin may be appropriate;

(d) To protect the safety, welfare, health and peace of the people of this state by prioritizing this state's limited law enforcement resources in the most effective, consistent and rational way; and

(e) After a two-year program development period, to:

(A) Permit persons licensed, controlled and regulated by this state to legally manufacture psilocybin products and provide psilocybin services to persons 21 years of age and older, subject to the provisions of this 2020 Act; and

(B) Establish a comprehensive regulatory framework concerning psilocybin products and psilocybin services under state law.

(2) The People of the State of Oregon intend that the provisions of this 2020 Act, together with other provisions of state law, will:

(a) Prevent the distribution of psilocybin products to other persons who are not permitted to possess psilocybin products under the provisions of sections 3 to 129 of this 2020 Act and rules adopted under sections 3 to 129 of this 2020 Act, including but not limited to persons under 21 years of age; and

(b) Prevent the diversion of psilocybin products from this state to other states.

## **SECTION 3. Short title.**

Sections 3 to 129 of this 2020 Act shall be known and may be cited as the Oregon Psilocybin Services Act.

## **SECTION 4. Construction.**

Sections 3 to 129 of this 2020 Act may not be construed:

- (1) To require a government medical assistance program or private health insurer to reimburse a person for costs associated with the use of psilocybin products;
- (2) To amend or affect state or federal law pertaining to employment matters;
- (3) To amend or affect state or federal law pertaining to landlord-tenant matters;
- (4) To prohibit a recipient of a federal grant or an applicant for a federal grant from prohibiting the manufacture, delivery, possession or use of psilocybin products to the extent necessary to satisfy federal requirements for the grant;
- (5) To prohibit a party to a federal contract or a person applying to be a party to a federal contract from prohibiting the manufacture, delivery, possession or use of psilocybin products to the extent necessary to comply with the terms and conditions of the contract or to satisfy federal requirements for the contract;
- (6) To require a person to violate a federal law;
- (7) To exempt a person from a federal law or obstruct the enforcement of a federal law; or
- (8) To amend or affect state law, to the extent that a person does not manufacture, deliver, or possess psilocybin products in accordance with the provisions of sections 3 to 129 of this 2020 Act and rules adopted under sections 3 to 129 of this 2020 Act.

#### **SECTION 5. Definitions.**

As used in sections 3 to 129 of this 2020 Act:

- (1) "Administration session" means a session held at a psilocybin service center at which a client purchases, consumes, and experiences the effects of a psilocybin product under the supervision of a psilocybin service facilitator.
- (2) "Client" means an individual that is provided psilocybin services in this state.
- (3) "Integration session" means a meeting between a client and a psilocybin service facilitator that may occur after the client completes an administration session.
- (4) "Legal entity" means a corporation, limited liability company, limited partnership, or other legal entity that is registered with the office of the Secretary of State or with a comparable office of another jurisdiction.
- (5) "Licensee" means a person that holds a license issued under section 23, 26, 30 or 97 of this 2020 Act.

(6) "Licensee representative" means an owner, director, officer, manager, employee, agent or other representative of a licensee, to the extent that the person acts in a representative capacity.

(7) "Manufacture" means the manufacture, planting, cultivation, growing, harvesting, production, preparation, propagation, compounding, conversion or processing of a psilocybin product, either directly or indirectly by extraction from substances of natural origin, or independently by means of chemical synthesis, or by a combination of extraction and chemical synthesis, and includes any packaging or repackaging of the psilocybin product or labeling or relabeling of its container.

(8)(a) "Premises" includes the following areas of a location licensed under sections 3 to 129 of this 2020 Act:

(A) All public and private enclosed areas at the location that are used in the business operated at the location, including offices, kitchens, rest rooms and storerooms;

(B) All areas outside a building that the Oregon Health Authority has specifically licensed for the manufacturing of psilocybin products or the operation of a psilocybin service center; and

(C) For a location that the authority has specifically licensed for the operation of a psilocybin service center outside a building, that portion of the location used to operate the psilocybin service center and provide psilocybin services to clients.

(b) "Premises" does not include a primary residence.

(9) "Preparation session" means a meeting between a client and a psilocybin service facilitator that must occur before the client participates in an administration session.

(10) "Psilocybin" means psilocybin or psilocin.

(11) "Psilocybin product manufacturer" means a person that manufactures psilocybin products in this state.

(12)(a) "Psilocybin products" means:

(A) Psilocybin-producing fungi; and

(B) Mixtures or substances containing a detectable amount of psilocybin.

(b) "Psilocybin products" does not include psilocybin services.

(13) "Psilocybin service center" means an establishment:

(a) At which administration sessions are held; and

(b) At which other psilocybin services may be provided.

(14) "Psilocybin service center operator" means a person that operates a psilocybin service center in this state.

(15) "Psilocybin service facilitator" means an individual that facilitates the provision of psilocybin services in this state.

(16) "Psilocybin services" means services provided to a client before, during, and after the client's consumption of a psilocybin product, including:

(a) A preparation session;

(b) An administration session; and

(c) An integration session.

(17) "Two-year program development period" means the period beginning on January 1, 2021 and ending no later than December 31, 2022.

## **OREGON PSILOCYBIN ADVISORY BOARD**

### **SECTION 6. Members; terms; meetings; compensation.**

(1)(a) The Oregon Psilocybin Advisory Board is established within the Oregon Health Authority for the purpose of advising and making recommendations to the authority. The Oregon Psilocybin Advisory Board shall consist of:

(A) Fourteen to sixteen members appointed by the Governor as specified in paragraph (b) of this subsection;

(B) The Public Health Director or the Public Health Director's designee;

(C) If the Public Health Director is not the State Health Officer, the State Health Officer or a physician licensed under ORS chapter 677 acting as the State Health Officer's designee;

(D) If the Public Health Director is the State Health Officer, a representative from the Oregon Health Authority who is familiar with public health programs and public health activities in this state; and

(E) A designee of the Oregon Health Policy Board.

(b) The Governor shall appoint the following individuals to the board:

(A) Any four of the following:

(i) A state employee who has technical expertise in the field of public health;

(ii) A local health officer, as defined in ORS 431.003;

(iii) An individual who is a member of, or who represents, a federally recognized Indian tribe in this state;

(iv) An individual who is a member of, or who represents, the Addictions and Mental Health Planning and Advisory Council within the authority;

(v) An individual who is a member of, or who represents, the Health Equity Policy Committee within the authority;

(vi) An individual who is a member of, or who represents, the Palliative Care and Quality of Life Interdisciplinary Advisory Council within the authority; and

(vii) An individual who represents individuals who provide public health services directly to the public;

(B) A psychologist licensed under ORS chapter 675 who has professional experience engaging in the diagnosis or treatment of a mental, emotional, or behavioral condition;

(C) A physician licensed under ORS chapter 677 who holds a degree of Doctor of Medicine;

(D) A naturopathic physician licensed under ORS chapter 685;

(E) An expert in the field of public health who has a background in academia;

(F) Any three of the following:

(i) A person who has professional experience conducting scientific research regarding the use of psychedelic compounds in clinical therapy;

(ii) A person who has experience in the field of mycology;

(iii) A person who has experience in the field of ethnobotany;

(iv) A person who has experience in the field of psychopharmacology; and

(v) A person who has experience in the field of psilocybin harm reduction;

(G) A person representing the Oregon Liquor Control Commission who has experience working with the system developed and maintained by the commission under ORS 475B.177 for tracking the transfer of marijuana items;

(H) A person representing the Oregon Department of Justice; and

(I) The following:

(i) During the two-year program development period:

(I) One of the chief petitioners of this 2020 Act; and

(II) One or two at-large members; and

(ii) After the two-year program development period, one, two, or three at-large members.

(2)(a) The term of office for a board member appointed under this section is four years, but a member serves at the pleasure of the Governor. Before the expiration of the term of a member, the Governor shall appoint a successor whose term begins on January 1 next following. A member is eligible for reappointment. If there is a vacancy for any cause, the Governor shall make an appointment to become immediately effective for the unexpired term.

(b) Members of the board described in subsection (1)(a)(B) to (E) of this section are nonvoting ex officio members of the board.

(3) A majority of the voting members of the board constitutes a quorum for the transaction of business.

(4) Official action by the board requires the approval of a majority of the voting members of the board.

(5) The board shall elect one of its voting members to serve as chairperson.

(6) During the two-year program development period, the board shall meet at least once every two calendar months at a time and place determined by the chairperson or a majority of the voting members of the board. After the two-year program development period, the board shall meet at least once every calendar quarter at a time and place determined by the chairperson or a majority of the voting members of the board. The board also may meet at other times and places specified by the call of the chairperson or of a majority of the voting members of the board.

(7) The board may adopt rules necessary for the operation of the board.

(8) The board may establish committees and subcommittees necessary for the operation of the board.

(9) Members of the board are entitled to compensation and expenses as provided in ORS 292.495.

#### **SECTION 7. Duties of Oregon Psilocybin Advisory Board.**

The Oregon Psilocybin Advisory Board shall:

(1) Provide advice to the Oregon Health Authority with respect to the administration of sections 3 to 129 of this 2020 Act;

(2) Make recommendations to the authority on available medical, psychological, and scientific studies, research, and other information relating to the safety and efficacy of psilocybin in treating

mental health conditions, including but not limited to addiction, depression, anxiety disorders, and end-of-life psychological distress;

(3) Make recommendations to the authority on the requirements, specifications and guidelines for providing psilocybin services to a client, including:

(a) The requirements, specifications and guidelines for holding and verifying the completion of a preparation session, an administration session, and an integration session; and

(b) The contents of the client information form that a client must complete and sign before the client participates in an administration session, giving particular consideration to:

(A) The information that should be solicited from the client to determine whether the client should participate in the administration session, including information that may identify risk factors and contraindications;

(B) The information that should be solicited from the client to assist the psilocybin service center operator and the psilocybin service facilitator in meeting any public health and safety standards and industry best practices during the administration session; and

(C) The health and safety warnings and other disclosures that should be made to the client before the client participates in the administration session.

(4) Make recommendations to the authority on public health and safety standards and industry best practices for each type of licensee under sections 3 to 129 of this 2020 Act;

(5) Make recommendations to the authority on the formulation of a code of professional conduct for psilocybin service facilitators, giving particular consideration to a code of ethics;

(6) Make recommendations to the authority on the education and training that psilocybin service facilitators must complete:

(a) Giving particular consideration to:

(A) Facilitation skills that are affirming, non-judgmental, and non-directive;

(B) Support skills for clients during an administration session, including specialized skills for:

(i) Client safety; and

(ii) Clients who may have a mental health condition;

(C) The environment in which psilocybin services should occur; and

(D) Social and cultural considerations; and

(b) Including whether such education and training should be available through online resources;



- (7) Make recommendations to the authority on the examinations that psilocybin service facilitators must pass;
- (8) Make recommendations to the authority on public health and safety standards and industry best practices for holding and completing an administration session, including:
  - (a) Whether group administration sessions should be available;
  - (b) Whether clients should be able to access common or outside areas on the premises of the psilocybin service center at which the administration session is held;
  - (c) The circumstances under which an administration session is considered complete; and
  - (d) The transportation needs of the client after the completion of the administration session;
- (9) Develop a long-term strategic plan for ensuring that psilocybin services will become and remain a safe, accessible and affordable therapeutic option for all persons 21 years of age and older in this state for whom psilocybin may be appropriate;
- (10) Monitor and study federal laws, regulations and policies regarding psilocybin; and
- (11) Attempt to meet with the United States Attorney's Office for the District of Oregon to discuss this 2020 Act and potential federal enforcement policies regarding psilocybin in Oregon after the expiration of the two-year program development period.

## **POWERS AND DUTIES OF OREGON HEALTH AUTHORITY**

### **SECTION 8. General powers and duties; rules.**

- (1) The Oregon Health Authority has the duties, functions and powers specified in sections 3 to 129 of this 2020 Act and the powers necessary or proper to enable the authority to carry out the authority's duties, functions and powers under sections 3 to 129 of this 2020 Act. The jurisdiction, supervision, duties, functions and powers of the authority extend to any person that produces, processes, transports, delivers, sells or purchases a psilocybin product in this state or that provides a psilocybin service in this state. The authority may sue and be sued.
- (2) The duties, functions and powers of the authority specified in sections 3 to 129 of this 2020 Act include the following:
  - (a) To examine, publish, and distribute to the public available medical, psychological, and scientific studies, research, and other information relating to the safety and efficacy of psilocybin in treating mental health conditions, including but not limited to addiction, depression, anxiety disorders, and end-of-life psychological distress.

(b) After the two-year program development period:

(A) To regulate the manufacturing, transportation, delivery, sale and purchase of psilocybin products and the provision of psilocybin services in this state in accordance with the provisions of sections 3 to 129 of this 2020 Act;

(B) To issue, renew, suspend, revoke or refuse to issue or renew licenses for the manufacturing or sale of psilocybin products, the provision of psilocybin services, or other licenses related to the consumption of psilocybin products, and to permit, in the authority's discretion, the transfer of a license between persons; and

(C) To regulate the use of psilocybin products and psilocybin services for other purposes as deemed necessary or appropriate by the authority.

(c) To adopt, amend or repeal rules as necessary to carry out the intent and provisions of sections 3 to 129 of this 2020 Act, including rules that the authority considers necessary to protect the public health and safety.

(d) To exercise all powers incidental, convenient or necessary to enable the authority to administer or carry out the provisions of sections 3 to 129 of this 2020 Act or any other law of this state that charges the authority with a duty, function or power related to psilocybin products and psilocybin services. Powers described in this paragraph include, but are not limited to:

(A) Issuing subpoenas;

(B) Compelling the attendance of witnesses;

(C) Administering oaths;

(D) Certifying official acts;

(E) Taking depositions as provided by law;

(F) Compelling the production of books, payrolls, accounts, papers, records, documents and testimony; and

(G) Establishing fees in addition to the application, licensing and renewal fees described in sections 23, 26, 30 and 97 of this 2020 Act, provided that any fee established by the authority is reasonably calculated not to exceed the cost of the activity for which the fee is charged.

(e) To adopt rules prohibiting advertising psilocybin products to the public.

(f) To adopt rules regulating and prohibiting advertising psilocybin services in a manner:

(A) That is appealing to minors;

(B) That promotes excessive use;

(C) That promotes illegal activity;

(D) That violates the code of professional conduct for psilocybin service facilitators formulated by the authority; or

(E) That otherwise presents a significant risk to public health and safety.

(3) The authority may not require that a psilocybin product be manufactured by means of chemical synthesis.

(4) The authority may not require a client to be diagnosed with or have any particular medical condition as a condition to being provided psilocybin services.

(5) Fees collected pursuant to subsection (2)(d)(G) of this section shall be deposited in the Psilocybin Control and Regulation Fund established under section 69 of this 2020 Act.

**SECTION 9. Authority to purchase, possess, seize, transfer to licensee or dispose of psilocybin products.**

Subject to any applicable provision of ORS chapter 183, the Oregon Health Authority may purchase, possess, seize, transfer to a licensee or dispose of psilocybin products as is necessary for the authority to ensure compliance with and enforce the provisions of sections 3 to 129 of this 2020 Act and any rule adopted under sections 3 to 129 of this 2020 Act.

**TWO-YEAR PROGRAM DEVELOPMENT PERIOD**

**SECTION 10. No licenses.**

Unless the Legislative Assembly provides otherwise, the Oregon Health Authority may not issue any licenses under sections 3 to 129 of this 2020 Act during the two-year program development period.

**SECTION 11. Oregon Psilocybin Advisory Board; dates.**

(1) On or before February 28, 2021, the Governor shall appoint the individuals specified in subsection (1)(b) of section 6 of this 2020 Act to the Oregon Psilocybin Board.

(2) On or before March 31, 2021, the board shall hold its first meeting at a time and place specified by the Governor.

(3) On or before June 30, 2021, and from time to time after such date, the board shall submit its findings and recommendations to the Oregon Health Authority on available medical, psychological, and scientific studies, research, and other information relating to the safety and

efficacy of psilocybin in treating mental health conditions, including but not limited to addiction, depression, anxiety disorders, and end-of-life psychological distress.

(4) On or before June 30, 2022, the board shall submit its findings and recommendations:

(a) For rules and regulations for the implementation of sections 3 to 129 of this 2020 Act;

(b) For a long-term strategic plan for ensuring that psilocybin services will become and remain a safe, accessible and affordable therapeutic option for all persons 21 years of age and older in this state for whom psilocybin may be appropriate; and

(c) With respect to federal laws, regulations and policies regarding psilocybin.

#### **SECTION 12. Oregon Health Authority; dates.**

(1) On or before July 31, 2021, and from time to time after such date, the Oregon Health Authority shall publish and distribute to the public available medical, psychological, and scientific studies, research, and other information relating to the safety and efficacy of psilocybin in treating mental health conditions, including but not limited to addiction, depression, anxiety disorders, and end-of-life psychological distress.

(2) On or before December 31, 2022, the authority shall prescribe forms and adopt such rules and regulations as the authority deems necessary for the implementation of sections 3 to 129 of this 2020 Act.

### **APPLICATION PROCESS AND LICENSES**

#### **SECTION 13. Date.**

On or before January 2, 2023, the Oregon Health Authority shall begin receiving applications for the licensing of persons to:

(1) Manufacture psilocybin products;

(2) Operate a psilocybin service center;

(3) Facilitate psilocybin services; and

(4) Test psilocybin products.

#### **SECTION 14. Application process for all licensees; rules.**

(1) Except as provided in subsection (2) of this section, an applicant for a license or renewal of a license issued under sections 3 to 129 of this 2020 Act shall apply to the Oregon Health Authority in the form required by the authority by rule, showing the name and address of the applicant, location of the premises that is to be operated under the license and other pertinent information required by the authority. The authority may not issue or renew a license until the applicant has complied with the provisions of sections 3 to 129 of this 2020 Act and rules adopted under sections 3 to 129 of this 2020 Act.

(2) The authority may reject any application that is not submitted in the form required by the authority by rule. The authority shall give applicants an opportunity to be heard if an application is rejected. A hearing under this subsection is not subject to the requirements for contested case proceedings under ORS chapter 183.

(3) Except as provided in subsection (2) of this section, a revocation of, or a refusal to issue or renew, a license issued under sections 3 to 129 of this 2020 Act is subject to the requirements for contested case proceedings under ORS chapter 183.

(4) An applicant for a facilitator license or renewal of a facilitator license issued under section 30 of this 2020 Act need not show the location of any premises.

#### **SECTION 15. Grounds for refusing to issue license or issuing restricted license.**

(1) The Oregon Health Authority may not license an applicant under the provisions of sections 3 to 129 of this 2020 Act if the applicant is under 21 years of age.

(2) The authority may refuse to issue a license or may issue a restricted license to an applicant under the provisions of sections 3 to 129 of this 2020 Act if the authority makes a finding that the applicant:

(a) Has not completed any education or training required by the provisions of sections 3 to 129 of this 2020 Act or rules adopted under sections 3 to 129 of this 2020 Act.

(b) Has not passed any examination required by the provisions of sections 3 to 129 of this 2020 Act or rules adopted under sections 3 to 129 of this 2020 Act.

(c) Is in the habit of using alcoholic beverages, habit-forming drugs, or controlled substances to excess.

(d) Has made false statements to the authority.

(e) Is incompetent or physically unable to carry on the management of the establishment proposed to be licensed.

(f) Has been convicted of violating a federal law, state law or local ordinance if the conviction is substantially related to the fitness and ability of the applicant to lawfully carry out activities under the license.

(g) Is not of good repute and moral character.

(h) Does not have a good record of compliance with sections 3 to 129 of this 2020 Act or any rule adopted under sections 3 to 129 of this 2020 Act.

(i) Is not the legitimate owner of the premises proposed to be licensed, or has not disclosed that other persons have ownership interests in the premises proposed to be licensed.

(j) Has not demonstrated financial responsibility sufficient to adequately meet the requirements of the premises proposed to be licensed.

(k) Is unable to understand the laws of this state relating to psilocybin products, psilocybin services, or the rules adopted under sections 3 to 129 of this 2020 Act.

(3) Notwithstanding subsection (2)(f) of this section, in determining whether to issue a license or a restricted license to an applicant, the authority may not consider the prior conviction of the applicant or any owner, director, officer, manager, employee, agent or other representative of the applicant for:

(a) The manufacture of psilocybin or the manufacture of a marijuana item, as defined in ORS 475B.015, if:

(A) The date of the conviction is two or more years before the date of the application; and

(B) The person has not been convicted more than once for the manufacture of psilocybin or a marijuana item; or

(b) The possession of a controlled substance, as defined in ORS 475.005, or a marijuana item, as defined in ORS 475B.015, if:

(A) The date of the conviction is two or more years before the date of the application; or

(B) The person has not been convicted more than once for the possession of a controlled substance or a marijuana item.

#### **SECTION 16. Authority to require fingerprints of applicants and other individuals.**

For the purpose of requesting a state or nationwide criminal records check under ORS 181A.195, the Oregon Health Authority may require the fingerprints of any individual listed on an application submitted under section 14 of this 2020 Act. The powers conferred on the authority under this section include the power to require the fingerprints of:

- (1) If the applicant is a limited partnership, each general partner of the limited partnership;
- (2) If the applicant is a manager-managed limited liability company, each manager of the limited liability company;
- (3) If the applicant is a member-managed limited liability company, each voting member of the limited liability company;
- (4) If the applicant is a corporation, each director and officer of the corporation; and
- (5) Any individual who holds a financial interest of 10 percent or more in the person applying for the license.

#### **SECTION 17. Properties of license.**

A license issued under sections 3 to 129 of this 2020 Act:

- (1) Is a personal privilege.
- (2) Is renewable in the manner provided in section 14 of this 2020 Act, except for a cause that would be grounds for refusal to issue the license under section 15 of this 2020 Act.
- (3) Is revocable or suspendible as provided in section 64 of this 2020 Act.
- (4) Except for a license issued to a psilocybin service facilitator under section 30 of this 2020 Act, is transferable from the premises for which the license was originally issued to another premises subject to the provisions of sections 3 to 129 of this 2020 Act, applicable rules adopted under sections 3 to 129 of this 2020 Act and applicable local ordinances.
- (5) If the license was issued to an individual, expires upon the death of the licensee, except as provided in section 51 of this 2020 Act.
- (6) Does not constitute property.
- (7) Is not alienable.
- (8) Is not subject to attachment or execution.
- (9) Does not descend by the laws of testate or intestate devolution.

#### **SECTION 18. Duties of Oregon Health Authority with respect to issuing licenses.**

- (1) The Oregon Health Authority shall approve or deny an application to be licensed under sections 3 to 129 of this 2020 Act. Upon receiving an application under section 14 of this 2020 Act, the authority may not unreasonably delay processing, approving or denying the application or, if the application is approved, issuing the license.



(2) The licenses described in sections 3 to 129 of this 2020 Act must be issued by the authority, subject to the provisions of sections 3 to 129 of this 2020 Act and rules adopted under sections 3 to 129 of this 2020 Act.

(3) The authority may not license a premises that does not have defined boundaries. A premises does not need to be enclosed by a wall, fence or other structure, but the authority may require a premises to be enclosed as a condition of issuing or renewing a license. The authority may not license a mobile premises.

#### **SECTION 19. Duty to request land use compatibility statement.**

(1) Prior to receiving a license under section 23 or 26 of this 2020 Act, an applicant shall request a land use compatibility statement from the city or county that authorizes the land use. The land use compatibility statement must demonstrate that the requested license is for a land use that is allowable as a permitted or conditional use within the given zoning designation where the land is located. The Oregon Health Authority may not issue a license if the land use compatibility statement shows that the proposed land use is prohibited in the applicable zone.

(2) Except as provided in subsection (3) of this section, a city or county that receives a request for a land use compatibility statement under this section must act on that request within 21 days of:

(a) Receipt of the request, if the land use is allowable as an outright permitted use; or

(b) Final local permit approval, if the land use is allowable as a conditional use.

(3) A city or county that receives a request for a land use compatibility statement under this section is not required to act on that request during the period that the authority discontinues licensing those premises pursuant to section 128(4) of this 2020 Act.

(4) A city or county action concerning a land use compatibility statement under this section is not a land use decision for purposes of ORS chapter 195, 196, 197, 215 or 227.

### **LICENSEES IN GENERAL**

#### **SECTION 20. Lawful manufacture, delivery, and possession of psilocybin products.**

Licensees and licensee representatives may manufacture, deliver and possess psilocybin products subject to the provisions of sections 3 to 129 of this 2020 Act and rules adopted under sections 3 to 129 of this 2020 Act. The manufacture, delivery or possession of psilocybin products by a licensee or a licensee representative in compliance with sections 3 to 129 of this 2020 Act and rules

adopted under sections 3 to 129 of this 2020 Act does not constitute a criminal or civil offense under the laws of this state.

**SECTION 21. Restriction on financial interests in multiple licensees.**

An individual may not have a financial interest in:

- (1) More than one psilocybin product manufacturer; or
- (2) More than five psilocybin service center operators.

**SECTION 22. Authority to hold multiple licenses.**

Subject to section 21 of this 2020 Act:

- (1) A person may hold multiple service center operator licenses under section 26 this 2020 Act; and
- (2) A person may hold both a manufacturer license under section 23 this 2020 Act and a service center operator license under section 26 this 2020 Act at the same or different premises.

**LICENSE TO MANUFACTURE PSILOCYBIN PRODUCTS**

**SECTION 23. Manufacturer license; fees; rules.**

- (1) The manufacture of psilocybin products is subject to regulation by the Oregon Health Authority.
- (2) A psilocybin product manufacturer must have a manufacturer license issued by the authority for the premises at which the psilocybin products are manufactured. To hold a manufacturer license issued under this section, a psilocybin product manufacturer:
  - (a) Must apply for a license in the manner described in section 14 of this 2020 Act;
  - (b) Must provide proof that the applicant is 21 years of age or older;
  - (c) Must, until January 1, 2025:
    - (A) If the direct owner of the business operating or to be operated under the license is a legal entity, provide proof that more than 50 percent of the shares, membership interests, partnership interests, or other ownership interests of the legal entity are held, directly or indirectly, by one or more individuals who have been residents of this state for two or more years;

(B) If the direct owner of the business operating or to be operated under the license is a partnership that is not a legal entity, provide proof that more than 50 percent of the partnership interests of the partnership are held, directly or indirectly, by one or more individuals who have been residents of this state for two or more years; and

(C) If the direct owner of the business operating or to be operated under the license is an individual, provide proof that the individual has been a resident of this state for two or more years; and

(d) Must meet the requirements of any rule adopted by the authority under subsections (3) and (4) of this section.

(3)(a) If the applicant is not the owner of the premises at which the psilocybin is to be manufactured, the applicant shall submit to the authority signed informed consent from the owner of the premises to manufacture psilocybin at the premises.

(b) The authority may adopt rules regarding the informed consent described in this subsection.

(4) The authority shall adopt rules that:

(a) Require a psilocybin product manufacturer to annually renew a license issued under this section;

(b) Establish application, licensure and renewal of licensure fees for psilocybin product manufacturers; and

(c) Require psilocybin products manufactured by psilocybin product manufacturers to be tested in accordance with section 96 of this 2020 Act.

(5) Fees adopted under subsection (4)(b) of this section:

(a) May not exceed, together with other fees collected under sections 3 to 129 of this 2020 Act, the cost of administering sections 3 to 129 of this 2020 Act; and

(b) Shall be deposited in the Psilocybin Control and Regulation Fund established under section 69 of this 2020 Act.

#### **SECTION 24. Psilocybin product manufacturers; endorsements.**

(1) The Oregon Health Authority shall adopt rules that designate different types of manufacturing activities. A psilocybin product manufacturer may only engage in a type of manufacturing activity if the psilocybin product manufacturer has received an endorsement from the authority for that type of manufacturing activity.

(2) An applicant must request an endorsement upon submission of an initial application but may also request an endorsement at any time following licensure.

(3) Only one application and license fee is required regardless of how many endorsements an applicant or licensee requests or at what time the request is made.

(4) A psilocybin product manufacturer licensee may hold multiple endorsements.

(5) The authority may deny a psilocybin product manufacturer's request for an endorsement or revoke an existing endorsement if the psilocybin product manufacturer cannot or does not meet the requirements for the endorsement that is requested. If the authority denies or revokes approval the psilocybin product manufacturer has a right to a hearing under the procedures of ORS chapter 183.

#### **SECTION 25. Psilocybin product quantities; rules.**

The Oregon Health Authority shall adopt rules restricting the quantities of psilocybin products at premises for which a license has been issued under section 23 of this 2020 Act. In adopting rules under this section, the authority shall take into consideration the demand for psilocybin services in this state, the number of psilocybin product manufacturers applying for a license under section 23 of this 2020 Act, the number of psilocybin product manufacturers that hold a license issued under section 23 of this 2020 Act and whether the availability of psilocybin products in this state is commensurate with the demand for psilocybin services.

### **LICENSE TO OPERATE PSILOCYBIN SERVICE CENTER**

#### **SECTION 26. Service center operator license; fees; rules.**

(1)(a) The operation of a psilocybin service center is subject to regulation by the Oregon Health Authority.

(b) A psilocybin service center is not a health care facility subject to ORS chapter 441.

(2) A psilocybin service center operator must have a service center operator license issued by the authority for the premises at which psilocybin services are provided. To hold a service center operator license under this section, a psilocybin service center operator:

(a) Must apply for a license in the manner described in section 14 of this 2020 Act;

(b) Must provide proof that the applicant is 21 years of age or older;

(c) Must, until January 1, 2025:

(A) If the direct owner of the business operating or to be operated under the license is a legal entity, provide proof that more than 50 percent of the shares, membership interests, partnership

interests, or other ownership interests of the legal entity are held, directly or indirectly, by one or more individuals who have been residents of this state for two or more years;

(B) If the direct owner of the business operating or to be operated under the license is a partnership that is not a legal entity, provide proof that more than 50 percent of the partnership interests of the partnership are held, directly or indirectly, by one or more individuals who have been residents of this state for two or more years; and

(C) If the direct owner of the business operating or to be operated under the license is an individual, provide proof that the individual has been a resident of this state for two or more years;

(d) Must ensure that the psilocybin service center is located in an area that is not:

(A) Within the limits of an incorporated city or town; and

(B) Zoned exclusively for residential use;

(e) Except as provided in section 27 of this 2020 Act, must ensure that the psilocybin service center is not located within 1,000 feet of:

(A) A public elementary or secondary school for which attendance is compulsory under ORS 339.020; or

(B) A private or parochial elementary or secondary school, teaching children as described in ORS 339.030 (1)(a); and

(f) Must meet the requirements of any rule adopted by the authority under subsection (3) of this section.

(3) The authority shall adopt rules that:

(a) Require a psilocybin service center operator to annually renew a license issued under this section;

(b) Establish application, licensure and renewal of licensure fees for psilocybin service center operators;

(c) Require psilocybin products sold by a psilocybin service center operator to be tested in accordance with section 96 of this 2020 Act; and

(d) Require a psilocybin service center operator to meet any public health and safety standards and industry best practices established by the authority by rule.

(4) Fees adopted under subsection (3)(b) of this section:

(a) May not exceed, together with other fees collected under sections 3 to 129 of this 2020 Act, the cost of administering sections 3 to 129 of this 2020 Act; and

(b) Shall be deposited in the Psilocybin Control and Regulation Fund established under section 69 of this 2020 Act.

**SECTION 27. Proximity of psilocybin service center to school.**

Notwithstanding subsection 2(e) of section 26 of this 2020 Act, a psilocybin service center may be located within 1,000 feet of a school if:

(1) The psilocybin service center is not located within 500 feet of:

(a) A public elementary or secondary school for which attendance is compulsory under ORS 339.020; or

(b) A private or parochial elementary or secondary school, teaching children as described in ORS 339.030 (1)(a); and

(2) The Oregon Health Authority determines that there is a physical or geographic barrier capable of preventing children from traversing to the premises of the psilocybin service center.

**SECTION 28. Establishment of school after issuance of license.**

If a school described in subsection 2(e) of section 26 of this 2020 Act that has not previously been attended by children is established within 1,000 feet of a premises for which a license has been issued under section 26 of this 2020 Act, the psilocybin service center operator located at that premises may remain at that location unless the Oregon Health Authority revokes the license of the psilocybin service center operator under section 64 of this 2020 Act.

**SECTION 29. Requirement to verify person's age; rules.**

The Oregon Health Authority may adopt rules establishing the circumstances under which the authority may require a psilocybin service center operator that holds a license issued under section 26 of this 2020 Act to use an age verification scanner or any other equipment used to verify a person's age for the purpose of ensuring that the psilocybin service center operator does not sell psilocybin products to a person under 21 years of age. Information obtained under this section may not be retained after verifying a person's age and may not be used for any purpose other than verifying a person's age.

**SECTION 30. Facilitator license; fees; rules.**

- (1) The facilitation of psilocybin services is subject to regulation by the Oregon Health Authority.
- (2) A psilocybin service facilitator must have a facilitator license issued by the authority. To hold a facilitator license issued under this section, a psilocybin service facilitator:
  - (a) Must apply for a license in the manner described in section 14 of this 2020 Act;
  - (b) Must provide proof that the applicant is 21 years of age or older;
  - (c) Must, until January 1, 2025, provide proof that the applicant has been a resident of this state for two or more years;
  - (d) Must have a high school diploma or equivalent education;
  - (e) Must submit evidence of completion of education and training prescribed and approved by the authority;
  - (f) Must have passed an examination approved, administered or recognized by the authority; and
  - (g) Must meet the requirements of any rule adopted by the authority under subsection (4) of this section.
- (3) The authority may not require a psilocybin service facilitator to have a degree from a university, college, post-secondary institution, or other institution of higher education.
- (4) The authority shall adopt rules that:
  - (a) Require a psilocybin service facilitator to annually renew a license issued under this section;
  - (b) Establish application, licensure and renewal of licensure fees for psilocybin service facilitators; and
  - (c) Require a psilocybin service facilitator to meet any public health and safety standards and industry best practices established by the authority by rule.
- (5) Fees adopted under subsection (4)(b) of this section:
  - (a) May not exceed, together with other fees collected under sections 3 to 129 of this 2020 Act, the cost of administering sections 3 to 129 of this 2020 Act; and
  - (b) Shall be deposited in the Psilocybin Control and Regulation Fund established under section 69 of this 2020 Act.
- (6) A psilocybin service facilitator may be, but need not be, an employee, manager, director, officer, partner, member, shareholder, or direct or indirect owner of one or more psilocybin service center operators.



(7) A license issued to a psilocybin service facilitator under this section is not limited to any one or more premises.

**SECTION 31. Examinations; rules.**

The Oregon Health Authority shall offer an examination for applicants for licenses to facilitate psilocybin services at least twice a year. An applicant who fails any part of the examination may retake the failed section in accordance with rules adopted by the authority.

**SECTION 32. Requirement to verify person's age; rules.**

The Oregon Health Authority may adopt rules establishing the circumstances under which the authority may require a psilocybin service facilitator that holds a license issued under section 30 of this 2020 Act to use an age verification scanner or any other equipment used to verify a person's age for the purpose of ensuring that the psilocybin service facilitator does not provide psilocybin services to a person under 21 years of age. Information obtained under this section may not be retained after verifying a person's age and may not be used for any purpose other than verifying a person's age.

**PSILOCYBIN SERVICES**

**SECTION 33. Psilocybin services.**

The Oregon Health Authority shall adopt by rule the requirements, specifications and guidelines for:

- (1) Providing psilocybin services to a client;
- (2) Holding and verifying the completion of a preparation session;
- (3) Having a client complete, sign, and deliver a client information form to a psilocybin service center operator and a psilocybin service facilitator;
- (4) Holding and verifying the completion of an administration session; and
- (5) Holding and verifying the completion of an integration session.

**SECTION 34. Preparation session.**

- (1) Before a client participates in an administration session, the client must attend a preparation session with a psilocybin service facilitator.
- (2) A preparation session may be, but need not be, held at a psilocybin service center.
- (3) If a preparation session is completed in accordance with all applicable requirements, specifications and guidelines, as determined by the Oregon Health Authority, the psilocybin service facilitator must certify, in a form and manner prescribed by the authority, that the client completed the preparation session.

### **SECTION 35. Client information form.**

- (1) Before a client participates in an administration session:
  - (a) The client must complete and sign a client information form, in a form and manner prescribed by the Oregon Health Authority; and
  - (b) A copy of the completed and signed client information form must be delivered to:
    - (A) The psilocybin service center operator that operates the psilocybin service center at which the administration session is to be held; and
    - (B) The psilocybin service facilitator that will supervise the administration session.
- (2) The client information form:
  - (a) Will solicit from the client such information as may be necessary:
    - (A) To enable a psilocybin service center operator and a psilocybin service facilitator to determine whether the client should participate in an administration session, including information that may identify risk factors and contraindications; and
    - (B) If so, to assist the psilocybin service center operator and the psilocybin service facilitator in meeting any public health and safety standards and industry best practices during the administration session; and
  - (b) Will contain such health and safety warnings and other disclosures to the client as the authority may prescribe.

### **SECTION 36. Administration session.**

- (1) After a client completes a preparation session and completes and signs a client information form, the client may participate in an administration session.
- (2) An administration session must be held at a psilocybin service center.

(3) If an administration session is completed in accordance with all applicable requirements, specifications and guidelines, as determined by the Oregon Health Authority, the psilocybin service facilitator must certify, in a form and manner prescribed by the authority, that the client completed the administration session.

**SECTION 37. Integration session.**

(1) After a client completes an administration session, the psilocybin service facilitator who supervised the administration session must offer the client an opportunity to participate in an integration session. The client may, but need not, participate in an integration session.

(2) An integration session may be, but need not be, held at a psilocybin service center.

(3) If an integration session is completed in accordance with all applicable requirements, specifications and guidelines, as determined by the Oregon Health Authority, the psilocybin service facilitator must certify, in a form and manner prescribed by the authority, that the client completed the integration session.

**SECTION 38. Protections on reliance on client information form.**

(1) If a client information form is offered as evidence in any administrative or criminal prosecution of a licensee or licensee representative for sale or service of a psilocybin product to a client, the licensee or licensee representative is not guilty of any offense prohibiting a person from selling or serving a psilocybin product to a client unless it is demonstrated that a reasonable person would have determined that the responses provided by the client on the client information form were incorrect or altered.

(2) A licensee or licensee representative shall be entitled to rely upon all statements, declarations, and representations made by a client in a client information form unless it is demonstrated that:

(a) A reasonable person would have determined that one or more of the statements, declarations, and representations made by the client in the client information form were incorrect or altered;  
or

(b) The licensee or licensee representative violated a provision of sections 3 to 129 of this 2020 Act or a rule adopted under sections 3 to 129 of this 2020 Act relative to the client information form.

(3) Except as provided in subsection (2) of this section, no licensee or licensee representative shall incur legal liability by virtue of any untrue statements, declarations, or representations so relied upon in good faith by the licensee or licensee representative.

**SECTION 39. Protections on refusal to provide psilocybin services to a client.**

(1) Subject to other applicable law, a licensee or licensee representative may refuse to provide psilocybin services to a potential client for any or no reason.

(2)(a) Except as provided in paragraph (b) of this subsection, and subject to other applicable law, a licensee or licensee representative may cease providing psilocybin services to a client for any or no reason.

(b) A psilocybin service center operator and a psilocybin service facilitator may not cease providing psilocybin services to a client during an administration session after the client has consumed a psilocybin product, except as authorized by the Oregon Health Authority by rule, or as necessary in an emergency.

**POWERS AND DUTIES OF OREGON HEALTH AUTHORITY WITH RESPECT TO  
LICENSEES**

**SECTION 40. Powers and duties relating to psilocybin service facilitators.**

The Oregon Health Authority shall:

(1) Determine the qualifications, training, education and fitness of applicants for licenses to facilitate psilocybin services, giving particular consideration to:

(a) Facilitation skills that are affirming, non-judgmental, and non-directive;

(b) Support skills for clients during an administration session, including specialized skills for:

(A) Client safety; and

(B) Clients who may have a mental health condition;

(c) The environment in which psilocybin services should occur; and

(d) Social and cultural considerations.

(2) Formulate a code of professional conduct for psilocybin service facilitators, giving particular consideration to a code of ethics;

(3) Establish standards of practice and professional responsibility for individuals licensed by the authority to facilitate psilocybin services;

(4) Select licensing examinations for licenses to facilitate psilocybin services;

(5) Provide for waivers of examinations as appropriate; and

(6) Appoint representatives to conduct or supervise examinations of applicants for licenses to facilitate psilocybin services.

**SECTION 41. Minimum standards of education and training for psilocybin service facilitators; rules.**

(1) The Oregon Health Authority shall adopt by rule minimum standards of education and training requirements for psilocybin service facilitators.

(2) The authority shall approve courses for psilocybin service facilitators. To obtain approval of a course, the provider of a course must submit an outline of instruction to the office and the Department of Education. The outline must include the approved courses, total hours of instruction, hours of lectures in theory and the hours of instruction in application of practical skills.

**SECTION 42. Authority to inspect books and premises; notice.**

(1) The Oregon Health Authority may, after 72 hours' notice, make an examination of the books of a licensee for the purpose of determining compliance with sections 3 to 129 of this 2020 Act and rules adopted under sections 3 to 129 of this 2020 Act.

(2) The authority may at any time make an examination of a premises for which a license has been issued under sections 3 to 129 of this 2020 Act for the purpose of determining compliance with sections 3 to 129 of this 2020 Act and rules adopted under sections 3 to 129 of this 2020 Act.

(3) The authority may not require the books of a licensee to be maintained on a premises of the licensee.

**SECTION 43. Authority to require segregation of premises.**

If a licensee holds more than one license issued under sections 3 to 129 of this 2020 Act for the same premises, the Oregon Health Authority may require the premises to be segregated into separate areas for conducting the activities permitted under each license as is necessary to protect the public health and safety.

**SECTION 44. Authority to require general liability insurance.**

As is necessary to protect the public health and safety, the Oregon Health Authority may require a licensee to maintain general liability insurance in an amount that the authority determines is reasonably affordable and available for the purpose of protecting the licensee against damages

resulting from a cause of action related to activities undertaken pursuant to the license held by the licensee.

**SECTION 45. Use of Oregon Liquor Control Commission tracking system for psilocybin products; exemptions; rules.**

(1) The Oregon Health Authority shall:

(a) Develop and maintain a system for tracking the transfer of psilocybin products between premises for which licenses have been issued under sections 3 to 129 of this 2020 Act; or

(b) Enter into an agreement with the Oregon Liquor Control Commission under which the commission shall permit the authority to use the system developed and maintained under ORS 475B.177 to track the transfer of psilocybin products between premises for which licenses have been issued under sections 3 to 129 of this 2020 Act.

(2) The purposes of the system include, but are not limited to:

(a) Preventing the diversion of psilocybin products to other states;

(b) Preventing persons from substituting or tampering with psilocybin products;

(c) Ensuring an accurate accounting of the production, processing and sale of psilocybin products;

(d) Ensuring that laboratory testing results are accurately reported; and

(e) Ensuring compliance with sections 3 to 129 of this 2020 Act, rules adopted under sections 3 to 129 of this 2020 Act and any other law of this state that charges the authority or commission with a duty, function or power related to psilocybin.

(3) The system must be capable of tracking, at a minimum:

(a) The manufacturing of psilocybin products;

(b) The sale of psilocybin products by a psilocybin service center operator to a client;

(c) The sale and purchase of psilocybin products between licensees, as permitted by sections 3 to 129 of this 2020 Act;

(d) The transfer of psilocybin products between premises for which licenses have been issued under sections 3 to 129 of this 2020 Act; and

(e) Any other information that the authority determines is reasonably necessary to accomplish the duties, functions and powers of the authority under sections 3 to 129 of this 2020 Act.

(4) Notwithstanding section 126 of this 2020 Act, before making any other distribution from the Oregon Psilocybin Account established under section 126 of this 2020 Act, the Department of Revenue shall first distribute moneys quarterly from the account to the commission for deposit in the Marijuana Control and Regulation Fund established under ORS 475B.296 for purposes of paying any costs incurred by the commission under subsection (1)(b) of this section. For purposes of estimating the amount of moneys necessary to pay any costs incurred under this section, the commission shall establish a formulary based on expected costs for each licensee that is tracked under this section. The commission shall provide to the Department of Revenue and the Legislative Fiscal Officer before each quarter the estimated amount of moneys necessary to pay costs expected to be incurred under this section and the formulary.

**SECTION 46. Authority to prevent diversion of psilocybin products.**

Except as otherwise provided by law, the Oregon Health Authority has any power, and may perform any function, necessary for the authority to prevent the diversion of psilocybin products from licensees to a source that is not operating legally under the laws of this state.

**SECTION 47. Authority to discipline for unregulated commerce.**

In addition to any other disciplinary action available to the Oregon Health Authority under sections 3 to 129 of this 2020 Act, the authority may immediately restrict, suspend or refuse to renew a license issued under sections 3 to 129 of this 2020 Act if circumstances create probable cause for the authority to conclude that a licensee has purchased or received a psilocybin product from an unlicensed source or that a licensee has sold, stored or transferred a psilocybin product in a manner that is not permitted by the licensee's license.

**SECTION 48. Authority to require financial disclosure from licensee.**

(1) The Oregon Health Authority may require a licensee or applicant for a license under sections 3 to 129 of this 2020 Act to submit, in a form and manner prescribed by the authority, to the authority a sworn statement showing:

(a) The name and address of each person that has a financial interest in the business operating or to be operated under the license; and

(b) The nature and extent of the financial interest of each person that has a financial interest in the business operating or to be operated under the license.

(2) The authority may refuse to issue, or may suspend, revoke or refuse to renew, a license issued under sections 3 to 129 of this 2020 Act if the authority determines that a person that has



a financial interest in the business operating or to be operated under the license committed or failed to commit an act that would constitute grounds for the authority to refuse to issue, or to suspend, revoke or refuse to renew, the license if the person were the licensee or applicant for the license.

**SECTION 49. Authority to investigate, discipline licensees.**

(1) Notwithstanding the lapse, suspension or revocation of a license issued under sections 3 to 129 of this 2020 Act, the Oregon Health Authority may:

(a) Proceed with any investigation of, or any action or disciplinary proceeding against, the person who held the license; or

(b) Revise or render void an order suspending or revoking the license.

(2) In cases involving the proposed denial of a license issued under sections 3 to 129 of this 2020 Act, the applicant for licensure may not withdraw the applicant's application.

**SECTION 50. Authority to investigate, discipline permit holder.**

(1) Notwithstanding the lapse, suspension or revocation of a permit issued under section 66 of this 2020 Act, the Oregon Health Authority may:

(a) Proceed with any investigation of, or any action or disciplinary proceeding against, the person who held the permit; or

(b) Revise or render void an order suspending or revoking the permit.

(2) In cases involving the proposed denial of a permit issued under section 66 of this 2020 Act, the applicant may not withdraw the applicant's application.

**SECTION 51. Powers related to decedents and insolvent or bankrupt persons.**

The Oregon Health Authority may, by rule or order, provide for the manner and conditions under which:

(1) Psilocybin products left by a deceased, insolvent or bankrupt person or licensee, or subject to a security interest, may be foreclosed, sold under execution or otherwise disposed.

(2) The business of a deceased, insolvent or bankrupt licensee may be operated for a reasonable period following the death, insolvency or bankruptcy.

(3) A secured party, as defined in ORS 79.0102, may continue to operate at a premises for which a license has been issued under sections 3 to 129 of this 2020 Act for a reasonable period after default on the indebtedness by the debtor.

## CONDUCT OF LICENSEES

### **SECTION 52. Prohibition against manufacturing psilocybin products outdoors.**

A psilocybin product manufacturer that holds a license under section 23 of this 2020 Act may not manufacture psilocybin products outdoors.

### **SECTION 53. Restrictions on delivery or receipt; waiver by authority.**

(1) A psilocybin product manufacturer that holds a license under section 23 of this 2020 Act:

(a) May deliver psilocybin products only to or on a premises for which a license has been issued under section 23 or section 26 of this 2020 Act; and

(b) May receive psilocybin products only from a psilocybin product manufacturer that holds a license under section 23 of this 2020 Act.

(2) A psilocybin service center operator that holds a license under section 26 of this 2020 Act:

(a) May deliver psilocybin products only to or on a premises for which a license has been issued under section 26 of this 2020 Act.; and

(b) May receive psilocybin products only from a psilocybin product manufacturer that holds a license under section 23 of this 2020 Act or a psilocybin service center operator that holds a license under section 26 of this 2020 Act.

(3) The sale of psilocybin products to a client by a psilocybin service center operator that holds a license issued under section 26 of this 2020 Act must be restricted to the premises for which the license has been issued.

(4) The Oregon Health Authority may by order waive the requirements of subsections (1) and (2) of this section to ensure compliance with sections 3 to 129 of this 2020 Act or a rule adopted under sections 3 to 129 of this 2020 Act. An order issued under this subsection does not constitute a waiver of any other requirement of sections 3 to 129 of this 2020 Act or any other rule adopted under sections 3 to 129 of this 2020 Act.

**SECTION 54. Prohibition against selling or delivering psilocybin products to persons under 21 years of age.**

A licensee or licensee representative may not sell or deliver a psilocybin product to a person under 21 years of age.

**SECTION 55. Identification requirement; rules.**

(1) Subject to subsection (2) of this section, a licensee or licensee representative, before selling or providing a psilocybin product to another person, must require the person to produce one of the following pieces of identification:

- (a) The person's passport.
- (b) The person's driver license, issued by the State of Oregon or another state of the United States.
- (c) An identification card issued under ORS 807.400.
- (d) A United States military identification card.
- (e) An identification card issued by a federally recognized Indian tribe.
- (f) Any other identification card issued by a state or territory of the United States that bears a picture of the person, the name of the person, the person's date of birth and a physical description of the person.

(2) The Oregon Health Authority may adopt rules exempting a licensee or licensee representative from this section.

(3) A client may not be required to procure for the purpose of acquiring or purchasing a psilocybin product a piece of identification other than a piece of identification described in subsection (1) of this section.

**SECTION 56. Confidentiality of information and communications by clients; exceptions.**

A psilocybin service center operator, a psilocybin service facilitator, or any employee of a psilocybin service center operator or psilocybin service facilitator may not disclose any information that may be used to identify a client, or any communication made by a client during the course of providing psilocybin services or selling psilocybin products to the client, except:

- (1) When the client or a person authorized to act on behalf of the client gives consent to the disclosure;
- (2) When the client initiates legal action or makes a complaint against the psilocybin service center operator, the psilocybin service facilitator, or the employee;

- (3) When the communication reveals the intent to commit a crime harmful to the client or others;
- (4) When the communication reveals that a minor may have been a victim of a crime or physical, sexual or emotional abuse or neglect; or
- (5) When responding to an inquiry by the Oregon Health Authority made during the course of an investigation into the conduct of the psilocybin service center operator, the psilocybin service facilitator, or the employee under sections 3 to 129 of this 2020 Act.

**SECTION 57. Prohibition against purchasing, possessing, and consuming a psilocybin product outside a psilocybin service center.**

A client may purchase, possess, and consume a psilocybin product:

- (1) Only at a psilocybin service center; and
- (2) Only under the supervision of a psilocybin service facilitator.

**SECTION 58. Prohibition against psilocybin service facilitator consuming a psilocybin product during an administration session.**

A psilocybin service facilitator may not consume a psilocybin product during an administration session that the psilocybin service facilitator is supervising.

**SECTION 59. Prohibition against employing persons under 21 years of age.**

- (1) A licensee may not employ a person under 21 years of age at a premises for which a license has been issued under sections 3 to 129 of this 2020 Act.
- (2) During an inspection of a premises for which a license has been issued under sections 3 to 129 of this 2020 Act, the Oregon Health Authority may require proof that a person performing work at the premises is 21 years of age or older. If the person does not provide the authority with acceptable proof of age upon request, the authority may require the person to immediately cease any activity and leave the premises until the authority receives acceptable proof of age. This subsection does not apply to a person temporarily at the premises to make a service, maintenance or repair call or for other purposes independent of the premises operations.
- (3) If a person performing work has not provided proof of age requested by the authority under subsection (2) of this section, the authority may request that the licensee provide proof that the person is 21 years of age or older. Failure of the licensee to respond to a request made under this subsection by providing acceptable proof of age for a person is prima facie evidence that the

licensee has allowed the person to perform work at the premises for which a license has been issued under sections 3 to 129 of this 2020 Act in violation of the minimum age requirement.

**SECTION 60. Prohibition against obfuscating mark or label or using mark or label to deceive.**

(1) A licensee may not use or allow the use of a mark or label on the container of a psilocybin product that is kept for sale if the mark or label does not precisely and clearly indicate the nature of the container's contents or if the mark or label in any way might deceive a person about the nature, composition, quantity, age or quality of the container's contents.

(2) The Oregon Health Authority may prohibit a licensee from selling any psilocybin product that in the authority's judgment is deceptively labeled or contains injurious or adulterated ingredients.

**SECTION 61. Requirement that psilocybin products comply with minimum standards.**

(1) A psilocybin product may not be sold or offered for sale within this state unless the psilocybin product complies with the minimum standards prescribed by the statutory laws of this state.

(2) The Oregon Health Authority may prohibit the sale of a psilocybin product by a psilocybin service center operator for a reasonable period of time for the purpose of determining whether the psilocybin product complies with the minimum standards prescribed by the statutory laws of this state.

**SECTION 62. Other prohibitions.**

(1) A person may not make false representations or statements to the Oregon Health Authority in order to induce or prevent action by the authority.

(2) A licensee may not maintain a noisy, lewd, disorderly or insanitary establishment or supply impure or otherwise deleterious psilocybin products.

(3) A licensee may not misrepresent to a person or to the public any psilocybin products.

**SECTION 63. Purpose of license issued under sections 3 to 129 of this 2020 Act.**

A license issued under sections 3 to 129 of this 2020 Act serves the purpose of exempting the person that holds the license from the criminal laws of this state for possession, delivery or

manufacture of psilocybin products, provided that the person complies with all state laws and rules applicable to licensees.

## DISCIPLINING LICENSEES

### **SECTION 64. Grounds for revocation, suspension or restriction of license.**

The Oregon Health Authority may revoke, suspend or restrict a license issued under sections 3 to 129 of this 2020 Act or require a licensee or licensee representative to undergo training if the authority finds or has reasonable ground to believe any of the following to be true:

- (1) That the licensee or licensee representative:
  - (a) Has violated a provision of sections 3 to 129 of this 2020 Act or a rule adopted under ORS sections 3 to 129 of this 2020 Act, including any code of professional conduct or code of ethics.
  - (b) Has made any false representation or statement to the authority in order to induce or prevent action by the authority.
  - (c) Is insolvent or incompetent or physically unable to carry on the management of the establishment of the licensee.
  - (d) Is in the habit of using alcoholic liquor, habit-forming drugs, marijuana, psilocybin products or controlled substances to excess.
  - (e) Has misrepresented to a person or the public any psilocybin products sold by the licensee or licensee representative.
  - (f) Since the issuance of the license, has been convicted of a felony, of violating any of the psilocybin products laws of this state, general or local, or of any misdemeanor or violation of any municipal ordinance committed on the premises for which the license has been issued.
- (2) That there is any other reason that, in the opinion of the authority, based on public convenience or necessity, warrants revoking, suspending or restricting the license.

## EMPLOYEES AND OTHER WORKERS

### **SECTION 65. Permit required to perform work for or on behalf of a licensee.**

(1) An individual who performs work for or on behalf of a licensee must have a valid permit issued by the Oregon Health Authority under section 66 of this 2020 Act if the individual participates in:

- (a) The provision of psilocybin services at the premises for which the license has been issued;
- (b) The possession, manufacturing, securing or selling of psilocybin products at the premises for which the license has been issued;
- (c) The recording of the possession, manufacturing, securing or selling of psilocybin products at the premises for which the license has been issued; or
- (d) The verification of any document described in section 55 of this 2020 Act.

(2) A licensee must verify that an individual has a valid permit issued under section 66 of this 2020 Act before allowing the individual to perform any work described in subsection (1) of this section at the premises for which the license has been issued.

**SECTION 66. Issuing, renewing permits; fees; rules.**

(1) The Oregon Health Authority shall issue permits to qualified applicants to perform work described in section 65 of this 2020 Act. The authority shall adopt rules establishing:

- (a) The qualifications for performing work described in section 65 of this 2020 Act;
- (b) The term of a permit issued under this section;
- (c) Procedures for applying for and renewing a permit issued under this section; and
- (d) Reasonable application, issuance and renewal fees for a permit issued under this section.

(2)(a) The authority may require an individual applying for a permit under this section to successfully complete a course, made available by or through the authority, through which the individual receives training on:

- (A) Checking identification;
- (B) Detecting intoxication;
- (C) Handling psilocybin products;
- (D) If applicable, the manufacturing of psilocybin products;
- (E) The content of sections 3 to 129 of this 2020 Act and rules adopted under sections 3 to 129 of this 2020 Act; or
- (F) Any matter deemed necessary by the authority to protect the public health and safety.



- (b) The authority or other provider of a course may charge a reasonable fee for the course.
- (c) The authority may not require an individual to successfully complete a course more than once, except that:
  - (A) As part of a final order suspending a permit issued under this section, the authority may require a permit holder to successfully complete the course as a condition of lifting the suspension; and
  - (B) As part of a final order revoking a permit issued under this section, the authority shall require an individual to successfully complete the course prior to applying for a new permit.
- (3) The authority shall conduct a criminal records check under ORS 181A.195 on an individual applying for a permit under this section.
- (4) Subject to the applicable provisions of ORS chapter 183, the authority may suspend, revoke or refuse to issue or renew a permit if the individual who is applying for or who holds the permit:
  - (a) Is convicted of a felony or is convicted of an offense under sections 3 to 129 of this 2020 Act, except that the authority may not consider a conviction for an offense under sections 3 to 129 of this 2020 Act if the date of the conviction is two or more years before the date of the application or renewal;
  - (b) Violates any provision of sections 3 to 129 of this 2020 Act or any rule adopted under sections 3 to 129 of this 2020 Act; or
  - (c) Makes a false statement to the authority.
- (5) A permit issued under this section is a personal privilege and permits work described under section 65 of this 2020 Act only for the individual who holds the permit.

**SECTION 67. Authority to require fingerprints of individuals listed on application.**

For the purpose of requesting a state or nationwide criminal records check under ORS 181A.195, the Oregon Health Authority may require the fingerprints of any individual listed on an application submitted under section 66 of this 2020 Act.

**SECTION 68. Whistleblower protection for employees.**

(1) It is an unlawful employment practice for a licensee to discharge, demote, suspend or in any manner discriminate or retaliate against an employee of the licensee with regard to promotion, compensation or other terms, conditions or privileges of employment on the basis that the employee has in good faith reported information to the Oregon Health Authority that the

employee believes is evidence of a violation of sections 3 to 129 of this 2020 Act or a rule adopted under sections 3 to 129 of this 2020 Act.

(2) This section is subject to enforcement under ORS chapter 659A.

## PSILOCYBIN CONTROL AND REGULATION FUND

### **SECTION 69. Psilocybin Control and Regulation Fund.**

The Psilocybin Control and Regulation Fund is established in the State Treasury, separate and distinct from the General Fund. Interest earned by the Psilocybin Control and Regulation Fund shall be credited to the fund. Moneys in the fund are continuously appropriated to the Oregon Health Authority to administer and enforce sections 3 to 129 of this 2020 Act.

## PROHIBITED CONDUCT

### **SECTION 70. Prohibition against person under 21 years of age entering premises; penalty.**

(1) Except as authorized by the Oregon Health Authority by rule, or as necessary in an emergency, a person under 21 years of age may not enter or attempt to enter any portion of a premises that is posted or otherwise identified as being prohibited to the use of persons under 21 years of age.

(2) A person who violates subsection (1) of this section commits a Class B violation.

(3) The prohibitions of this section do not apply to a person under 21 years of age who is acting under the direction of the authority or under the direction of state or local law enforcement agencies for the purpose of investigating possible violations of laws prohibiting sales of psilocybin products to persons who are under 21 years of age.

(4) The prohibitions of this section do not apply to a person under 21 years of age who is acting under the direction of a licensee for the purpose of investigating possible violations by employees of the licensee of laws prohibiting sales of psilocybin products to persons who are under 21 years of age.

(5)(a) A person under 21 years of age is not in violation of, and is immune from prosecution under, this section if:

(A) The person contacted emergency medical services or a law enforcement agency in order to obtain medical assistance for another person who was in need of medical assistance because that

person consumed a psilocybin product and the evidence of the violation was obtained as a result of the person's having contacted emergency medical services or a law enforcement agency; or

(B) The person was in need of medical assistance because the person consumed a psilocybin product and the evidence of the violation was obtained as a result of the person's having sought or obtained the medical assistance.

(b) Paragraph (a) of this subsection does not exclude the use of evidence obtained as a result of a person's having sought medical assistance in proceedings for crimes or offenses other than a violation of this section.

**SECTION 71. Prohibition against producing identification that falsely indicates age; protections on reliance on identification.**

(1) A person may not produce any piece of identification that falsely indicates the person's age.

(2) Violation of this section is a Class A misdemeanor.

(3) If a piece of identification is offered as evidence in any administrative or criminal prosecution of a licensee or licensee representative for sale or service of a psilocybin product to a person under 21 years of age, the licensee or licensee representative is not guilty of any offense prohibiting a person from selling or serving a psilocybin product to a person under 21 years of age unless it is demonstrated that a reasonable person would have determined that the identification exhibited by the person under 21 years of age was altered, or that the identification exhibited by the person under 21 years of age did not accurately describe the person to whom the psilocybin product was sold or served.

**SECTION 72. Prohibition regarding person who is visibly intoxicated; penalty.**

(1) A person may not sell, give or otherwise make available a psilocybin product to a person who is visibly intoxicated.

(2) Violation of this section is a Class A misdemeanor.

**SECTION 73. Prohibition against giving psilocybin product as prize; penalty.**

(1) A psilocybin product may not be given as a prize, premium or consideration for a lottery, contest, game of chance, game of skill or competition of any kind.

(2) Violation of this section is a Class A violation.

## CIVIL ENFORCEMENT OF SECTIONS 3 TO 129 OF THIS 2020 ACT

### **SECTION 74. Authority to issue subpoenas.**

For purposes of sections 3 to 129 of this 2020 Act, the provisions of ORS 183.440 apply to subpoenas issued by the Oregon Health Authority and to subpoenas issued by an authorized agent of the authority.

### **SECTION 75. Civil penalty for violating sections 3 to 129 of this 2020 Act.**

In addition to any other liability or penalty provided by law, the Oregon Health Authority may impose for each violation of a provision of sections 3 to 129 of this 2020 Act or a rule adopted under sections 3 to 129 of this 2020 Act a civil penalty that does not exceed \$5,000 for each violation. The authority shall impose civil penalties under this section in the manner provided by ORS 183.745. Moneys collected under this section shall be deposited in the Psilocybin Control and Regulation Fund established under section 69 of this 2020 Act.

## CRIMINAL ENFORCEMENT OF SECTIONS 3 TO 129 OF THIS 2020 ACT

### **SECTION 76. Authority of law enforcement to enforce sections 3 to 129 of this 2020 Act.**

The law enforcement officers of this state may enforce sections 3 to 129 of this 2020 Act and assist the Oregon Health Authority in detecting violations of sections 3 to 129 of this 2020 Act and apprehending offenders. A law enforcement officer who has notice, knowledge or reasonable ground of suspicion of a violation of sections 3 to 129 of this 2020 Act shall immediately notify the district attorney who has jurisdiction over the violation and furnish the district attorney who has jurisdiction over the violation with names and addresses of any witnesses to the violation or other information related to the violation.

### **SECTION 77. Duty to notify Oregon Health Authority of conviction of licensee.**

The county courts, district attorneys and municipal authorities, immediately upon the conviction of a licensee of a violation of sections 3 to 129 of this 2020 Act, or of a violation of any other law of this state or ordinance of a city or county located in this state an element of which is the possession, delivery or manufacture of a psilocybin product, shall notify the Oregon Health Authority of the conviction.

**SECTION 78. Penalty for violating sections 3 to 129 of this 2020 Act.**

Subject to ORS 153.022, violation of a rule adopted under subsection (2)(c) of section 8 of this 2020 Act is a Class C violation.

**REGULATION BY CITIES AND COUNTIES OF PSILOCYBIN PRODUCTS**

**SECTION 79. Preemption of municipal charter amendments and local ordinances.**

The provisions of sections 3 to 129 of this 2020 Act are designed to operate uniformly throughout the state and are paramount and superior to and fully replace and supersede any municipal charter amendment or local ordinance inconsistent with the provisions of sections 3 to 129 of this 2020 Act. Amendments and ordinances that are inconsistent with the provisions of sections 3 to 129 of this 2020 Act are repealed.

**SECTION 80. No local licenses.**

The authority to require a license for the manufacturing or sale of psilocybin products in this state, or for the provision of psilocybin services in this state, is vested solely in the Legislative Assembly.

**SECTION 81. Local time, place and manner regulations.**

(1) For purposes of this section, “reasonable regulations” includes:

- (a) Reasonable conditions on the manner in which a psilocybin product manufacturer that holds a license issued under section 23 of this 2020 Act may manufacture psilocybin products;
- (b) Reasonable conditions on the manner in which a psilocybin service center operator that holds a license issued under section 26 of this 2020 Act may provide psilocybin services;
- (c) Reasonable limitations on the hours during which a premises for which a license has been issued under sections 3 to 129 of this 2020 Act may operate;
- (d) Reasonable requirements related to the public’s access to a premises for which a license has been issued under sections 3 to 129 of this 2020 Act; and
- (e) Reasonable limitations on where a premises for which a license may be issued under sections 3 to 129 of this 2020 Act may be located.

(2) Notwithstanding ORS 30.935, 215.253 (1) or 633.738, the governing body of a city or county may adopt ordinances that impose reasonable regulations on the operation of businesses located at premises for which a license has been issued under sections 3 to 129 of this 2020 Act if the premises are located in the area subject to the jurisdiction of the city or county, except that the governing body of a city or county may not adopt an ordinance that prohibits a premises for which a license has been issued under section 26 of this 2020 Act from being located within a distance that is greater than 1,000 feet of another premises for which a license has been issued under section 26 of this 2020 Act.

**SECTION 82. Local tax or fee; referral to electors for approval.**

(1)(a) The authority to impose a tax or fee on the manufacturing or sale of psilocybin products in this state, or on the provision of psilocybin services in this state, is vested solely in the Legislative Assembly.

(b) A county, city or other municipal corporation or district may not adopt or enact ordinances imposing a tax or fee on the manufacturing or sale of psilocybin products in this state or on the provision of psilocybin services in this state.

**SECTION 83. Repeal of city, county ordinance that prohibits certain establishments.**

(1) The governing body of a city or county may repeal an ordinance that prohibits the establishment of any one or more of the following in the area subject to the jurisdiction of the city or in the unincorporated area subject to the jurisdiction of the county:

(a) Psilocybin product manufacturers that hold a license issued under section 23 of this 2020 Act;

(b) Psilocybin service center operators that hold a license issued under section 26 of this 2020 Act;  
or

(c) Any combination of the entities described in this subsection.

(2) If the governing body of a city or county repeals an ordinance under this section, the governing body must provide the text of the ordinance to the Oregon Health Authority, in a form and manner prescribed by the authority, if the ordinance concerns a premises for which a license has been issued under sections 3 to 129 of this 2020 Act.

**POWERS AND DUTIES OF STATE AGENCIES AND OFFICERS AND GOVERNOR**

**SECTION 84. Duty of Oregon Liquor Control Commission to assist.**

The Oregon Liquor Control Commission shall assist and cooperate with the Oregon Health Authority and the State Department of Agriculture to the extent necessary for the authority and the department to carry out the duties of the authority and the department under sections 3 to 129 of this 2020 Act.

**SECTION 85. Duty of State Department of Agriculture to assist.**

The State Department of Agriculture shall assist and cooperate with the Oregon Health Authority to the extent necessary for the authority to carry out the duties of the authority under sections 3 to 129 of this 2020 Act.

**SECTION 86. Authority of State Department of Agriculture.**

The State Department of Agriculture may possess, test and dispose of psilocybin products.

**SECTION 87. Prohibition against refusing to perform duties on basis that certain conduct is prohibited by federal law.**

(1) The Oregon Health Authority, the State Department of Agriculture and the Oregon Liquor Control Commission may not refuse to perform any duty under sections 3 to 129 of this 2020 Act on the basis that manufacturing, distributing, dispensing, possessing or using psilocybin products is prohibited by federal law.

(2) The authority may not revoke or refuse to issue or renew a license or permit under sections 3 to 129 of this 2020 Act on the basis that manufacturing, distributing, dispensing, possessing or using psilocybin products is prohibited by federal law.

**SECTION 88. Immunity for state agencies, officers and employees in performance of duties.**

A person may not sue the Oregon Health Authority, the State Department of Agriculture or the Oregon Liquor Control Commission or a member of the commission, or any employee of the authority, department or commission, for performing or omitting to perform any duty, function or power of the authority, department or commission set forth in sections 3 to 129 of this 2020 Act or in any other law of this state requiring the authority, department or commission to perform a duty, function or power related to psilocybin products.

**SECTION 89. Authority to purchase, possess, seize or dispose of psilocybin products.**



Subject to any applicable provision of ORS chapter 131A or 183, any state officer, board, commission, corporation, institution, department or other state body, and any local officer, board, commission, institution, department or other local government body, that is authorized by the statutory laws of this state to perform a duty, function or power with respect to a psilocybin product, may purchase, possess, seize or dispose of the psilocybin product as the state officer, board, commission, corporation, institution, department or other state body, or the local officer, board, commission, institution, department or other local government body, considers necessary to ensure compliance with and enforce the applicable statutory law or any rule adopted under the applicable statutory law.

**SECTION 90. Authority of Governor to suspend license or permit without notice.**

In case of invasion, disaster, insurrection or riot, or imminent danger of invasion, disaster, insurrection or riot, the Governor may, for the duration of the invasion, disaster, insurrection or riot, or imminent danger, immediately and without notice suspend, in the area involved, any license or permit issued under sections 3 to 129 of this 2020 Act.

**OTHER PROVISIONS**

**SECTION 91. Psilocybin-producing fungi as crop; exceptions to permitted uses.**

(1) Psilocybin-producing fungi is:

- (a) A crop for the purposes of “farm use” as defined in ORS 215.203;
- (b) A crop for purposes of a “farm” and “farming practice,” both as defined in ORS 30.930;
- (c) A product of farm use as described in ORS 308A.062; and
- (d) The product of an agricultural activity for purposes of ORS 568.909.

(2) Notwithstanding ORS chapters 195, 196, 197, 215 and 227, the following are not permitted uses on land designated for exclusive farm use:

- (a) A new dwelling used in conjunction with a psilocybin-producing fungi crop;
- (b) A farm stand, as described in ORS 215.213 (1)(r) or 215.283 (1)(o), used in conjunction with a psilocybin-producing fungi crop; and
- (c) Subject to subsection (3) of this section, a commercial activity, as described in ORS 215.213 (2)(c) or 215.283 (2)(a), carried on in conjunction with a psilocybin-producing fungi crop.

(3) The operation of a psilocybin service center may be carried on in conjunction with a psilocybin-producing fungi crop.

(4) A county may allow the manufacture of psilocybin products as a farm use on land zoned for farm or forest use in the same manner as the manufacture of psilocybin products is allowed in exclusive farm use zones under this section and ORS 215.213, 215.283 and 475B.063.

(5) This section applies to psilocybin product manufacturers that hold a license under section 23 of this 2020 Act.

**SECTION 92. Regulation of psilocybin products as food or other commodity subject to regulation by State Department of Agriculture.**

(1) Notwithstanding the authority granted to the State Department of Agriculture under ORS chapters 571, 618 and 633 and ORS 632.275 to 632.290, 632.450 to 632.490, 632.516 to 632.625, 632.705 to 632.815, 632.835 to 632.850 and 632.900 to 632.985, the department may not exercise authority over psilocybin products or a licensee, except that ORS 618.121 to 618.161, 618.991, 618.995, 633.311 to 633.479, 633.992 and 633.994 apply to psilocybin products or to a licensee.

(2) In exercising its authority under ORS chapter 616, the department may not:

(a) Establish standards for psilocybin products as a food additive, as defined in ORS 616.205;

(b) Consider psilocybin products to be an adulterant, unless the concentration of a psilocybin product exceeds acceptable levels established by the Oregon Health Authority by rule; or

(c) Apply ORS 616.256, 616.265, 616.270 or 616.275 to psilocybin products or enforce ORS 616.256, 616.265, 616.270 or 616.275 with respect to psilocybin products.

**SECTION 93. Enforceability of contracts.**

A contract is not unenforceable on the basis that manufacturing, distributing, dispensing, possessing or using psilocybin products is prohibited by federal law.

**SECTION 94. Oregon Health Authority hotline for verification of license.**

The Oregon Health Authority shall maintain a telephone hotline for the following persons to inquire if an address is the location of a premises for which a license has been issued under sections 3 to 129 of this 2020 Act or is the location of a premises for which an application for licensure has been submitted under section 14 of this 2020 Act:

(1) A person designated by a city or a county;

- (2) A person designated by the Water Resources Department; and
- (3) A person designated by the watermaster of any water district.

**SECTION 95. Certain information related to licensure exempt from disclosure.**

(1) Subject to subsection (2) of this section, information is exempt from public disclosure under ORS 192.311 to 192.478 if the information is:

- (a) Personally identifiable information, as defined in ORS 432.005;
- (b) The address of a premises for which a license has been issued or for which an applicant has proposed licensure under section 23, 26 or 97 of this 2020 Act;
- (c) Related to the security plan or the operational plan for a premises for which a license has been issued or for which an applicant has proposed licensure under sections 23, 26 or 97 of this 2020 Act; or
- (d) Related to any record that the Oregon Health Authority determines contains proprietary information of a licensee.

(2) The exemption from public disclosure as provided by this section does not apply to:

- (a) The name of an individual listed on an application, if the individual is a direct owner of the business operating or to be operated under the license; or
- (b) A request for information if the request is made by a law enforcement agency.

(3) For purposes of subsection (2)(a) of this section, an individual is not a direct owner of the business operating or to be operated under the license if:

- (a) The direct owner of the business operating or to be operated under the license is a legal entity; and
- (b) The individual is merely a general partner, limited partner, member, shareholder, or other direct or indirect owner of the legal entity.

**TESTING OF PSILOCYBIN PRODUCTS**

**SECTION 96. Testing standards and processes; rules.**

(1) As is necessary to protect the public health and safety, and in consultation with the Oregon Liquor Control Commission and the State Department of Agriculture, the Oregon Health Authority shall adopt rules:

- (a) Establishing standards for testing psilocybin products.
- (b) Identifying appropriate tests for psilocybin products, depending on the type of psilocybin product and the manner in which the psilocybin product was manufactured, that are necessary to protect the public health and safety, which may include, but not be limited to, tests for:
  - (A) Microbiological contaminants;
  - (B) Pesticides;
  - (C) Other contaminants;
  - (D) Solvents or residual solvents; and
  - (E) Psilocybin concentration.
- (c) Establishing procedures for determining batch sizes and for sampling psilocybin products.
- (d) Establishing different minimum standards for different varieties of psilocybin products.
- (2) In addition to the testing requirements established under subsection (1) of this section, the authority may require psilocybin products to be tested in accordance with any applicable law of this state, or any applicable rule adopted under a law of this state, related to the production and processing of food products or commodities.
- (3) In adopting rules under sections 3 to 129 of this 2020 Act, the authority may require a psilocybin product manufacturer that holds a license under section 23 of this 2020 Act to test psilocybin products before selling or transferring the psilocybin products.
- (4) The authority may conduct random testing of psilocybin products for the purpose of determining whether a licensee subject to testing under subsection (3) of this section is in compliance with this section.
- (5) In adopting rules to implement this section, the authority may not require a psilocybin product to undergo the same test more than once unless the psilocybin product is processed into a different type of psilocybin product or the condition of the psilocybin product has fundamentally changed.
- (6) The testing of psilocybin products as required by this section must be conducted by a laboratory licensed by the authority under section 97 of this 2020 Act and accredited by the authority under section 100 of this 2020 Act.
- (7) In adopting rules under subsection (1) of this section, the authority:
  - (a) Shall consider the cost of a potential testing procedure and how that cost will affect the cost to the ultimate client; and

(b) May not adopt rules that are more restrictive than is reasonably necessary to protect the public health and safety.

**SECTION 97. Laboratory licensure; qualifications; fees; rules.**

(1) A laboratory that conducts testing of psilocybin products as required by section 96 of this 2020 Act must have a license to operate at the premises at which the psilocybin products are tested.

(2) For purposes of this section, the Oregon Health Authority shall adopt rules establishing:

(a) Qualifications to be licensed under this section, including that an applicant for licensure under this section must be accredited by the authority as described in section 100 of this 2020 Act;

(b) Processes for applying for and renewing a license under this section;

(c) Fees for applying for, receiving and renewing a license under this section; and

(d) Procedures for:

(A) Tracking psilocybin products to be tested;

(B) Documenting and reporting test results; and

(C) Disposing of samples of psilocybin products that have been tested.

(3) A license issued under this section must be renewed annually.

(4) The authority may inspect premises licensed under this section to ensure compliance with sections 96 to 104 of this 2020 Act and rules adopted under sections 96 to 104 of this 2020 Act.

(5) Subject to the applicable provisions of ORS chapter 183, the authority may refuse to issue or renew, or may suspend or revoke, a license issued under this section for violation of a provision of sections 3 to 129 of this 2020 Act or a rule adopted under a provision of sections 3 to 129 of this 2020 Act.

(6) Fees adopted under subsection (2)(c) of this section must be reasonably calculated to pay the expenses incurred by the authority under sections 3 to 129 of this 2020 Act.

(7) Fee moneys collected under this section shall be deposited in the Psilocybin Control and Regulation Fund established under section 69 of this 2020 Act and are continuously appropriated to the authority for the purpose of carrying out the duties, functions and powers of the authority under sections 3 to 129 of this 2020 Act.

**SECTION 98. Authority to require fingerprints of applicants and other individuals.**

For the purpose of requesting a state or nationwide criminal records check under ORS 181A.195, the Oregon Health Authority may require the fingerprints of any individual listed on an application submitted under section 97 of this 2020 Act. The powers conferred on the authority under this section include the power to require the fingerprints of:

- (1) If the applicant is a limited partnership, each general partner of the limited partnership;
- (2) If the applicant is a manager-managed limited liability company, each manager of the limited liability company;
- (3) If the applicant is a member-managed limited liability company, each voting member of the limited liability company;
- (4) If the applicant is a corporation, each director and officer of the corporation; and
- (5) Any individual who holds a financial interest of 10 percent or more in the person applying for the license.

**SECTION 99. Statement of applicant for license under Section 97 of this 2020 Act.**

(1) The Oregon Health Authority may require a licensee or applicant for a license under section 97 of this 2020 Act to submit, in a form and manner prescribed by the authority, to the authority a sworn statement showing:

- (a) The name and address of each person that has a financial interest in the business operating or to be operated under the license; and
- (b) The nature and extent of the financial interest of each person that has a financial interest in the business operating or to be operated under the license.

(2) The authority may refuse to issue, or may suspend, revoke or refuse to renew, a license issued under section 97 of this 2020 Act if the authority determines that a person that has a financial interest in the business operating or to be operated under the license committed or failed to commit an act that would constitute grounds for the authority to refuse to issue, or to suspend, revoke or refuse to renew, the license if the person were the licensee or applicant for the license.

**SECTION 100. Laboratory accreditation; qualifications; fees; rules.**

(1) A laboratory that conducts testing of psilocybin products as required by section 96 of this 2020 Act must be accredited under ORS 438.605 to 438.620 and meet other qualifications as established by the Oregon Health Authority under this section.

(2) In addition to other qualifications required pursuant to ORS 438.605 to 438.620, the authority shall require an applicant for accreditation under ORS 438.605 to 438.620 for purposes related to the testing of psilocybin products to:

(a) Complete an application;

(b) Undergo an onsite inspection; and

(c) Meet other applicable requirements, specifications and guidelines for testing psilocybin products, as determined to be appropriate by the authority by rule.

(3) The authority may inspect premises licensed under section 97 of this 2020 Act to ensure compliance with sections 96 to 104 of this 2020 Act and rules adopted under sections 96 to 104 of this 2020 Act.

(4) Subject to the applicable provisions of ORS chapter 183, the authority may refuse to issue or renew, or may suspend or revoke, a laboratory's accreditation granted under this section and ORS 438.605 to 438.620 for violation of a provision of sections 3 to 129 of this 2020 Act or a rule adopted under a provision of sections 3 to 129 of this 2020 Act.

(5) In establishing fees under ORS 438.620 for laboratories that test psilocybin products, the authority shall establish fees that are reasonably calculated to pay the expenses incurred by the authority under this section and ORS 438.605 to 438.620 in accrediting laboratories that test psilocybin products.

#### **SECTION 101. Authority of Oregon Health Authority to discipline licensees of authority.**

Subject to the applicable provisions of ORS chapter 183, if an applicant or licensee violates a provision of sections 96 to 104 of this 2020 Act or a rule adopted under a provision of sections 96 to 104 of this 2020 Act, the Oregon Health Authority may refuse to issue or renew, or may suspend or revoke, a license issued under section 23, 26, 30 or 97 of this 2020 Act.

#### **SECTION 102. Authority of Oregon Health Authority over certain persons, license actions.**

(1) Notwithstanding the lapse, suspension or revocation of a license issued under section 97 of this 2020 Act, the Oregon Health Authority may:

(a) Proceed with any investigation of, or any action or disciplinary proceeding against, the person who held the license; or

(b) Revise or render void an order suspending or revoking the license.

(2) In cases involving the proposed denial of a license issued under sections 3 to 129 of this 2020 Act, the applicant for licensure may not withdraw the applicant's application.



**SECTION 103. Civil penalty for violating sections 96 to 104 of this 2020 Act.**

(1) In addition to any other liability or penalty provided by law, the Oregon Health Authority may impose for each violation of a provision of sections 96 to 104 of this 2020 Act, or a rule adopted under a provision of sections 96 to 104 of this 2020 Act, a civil penalty that does not exceed \$500 for each day that the violation occurs.

(2) The authority shall impose civil penalties under this section in the manner provided by ORS 183.745.

(3) Moneys collected under this section shall be deposited in the Oregon Health Authority Fund established under ORS 413.101 and are continuously appropriated to the authority for the purpose of carrying out the duties, functions and powers of the authority under sections 3 to 129 of this 2020 Act.

**SECTION 104. Exemption from criminal liability.**

A person who holds a license under section 97 of this 2020 Act, and an employee of or other person who performs work for a person who holds a license under section 97 of this 2020 Act, are exempt from the criminal laws of this state for possession, delivery or manufacture of psilocybin, aiding and abetting another in the possession, delivery or manufacture of psilocybin, or any other criminal offense in which possession, delivery or manufacture of psilocybin is an element, while performing activities related to testing as described in sections 96 to 104 of this 2020 Act.

**PACKAGING, LABELING AND DOSAGE OF PSILOCYBIN PRODUCTS**

**SECTION 105. Labeling requirements; rules.**

(1) As is necessary to protect the public health and safety, and in consultation with the State Department of Agriculture and the Oregon Liquor Control Commission, the Oregon Health Authority shall adopt rules establishing standards for the labeling of psilocybin products, including but not limited to:

(a) Ensuring that psilocybin products have labeling that communicates:

(A) Health and safety warnings;

(B) If applicable, activation time;

(C) Potency;

(D) If applicable, serving size and the number of servings included in a psilocybin product;

(E) Content of the psilocybin product; and

(b) Labeling that is in accordance with applicable state food labeling requirements for the same type of food product or potable liquid when the food product or potable liquid does not contain psilocybin.

(2) In adopting rules under sections 3 to 129 of this 2020 Act, the authority shall require all psilocybin products sold or transferred by a psilocybin service center that holds a license issued under section 26 of this 2020 Act to be labeled in accordance with subsection (1) of this section and rules adopted under subsection (1) of this section.

(3) In adopting rules under subsection (1) of this section, the authority:

(a) May establish different labeling standards for different varieties and types of psilocybin products;

(b) Shall consider the cost of a potential requirement and how that cost will affect the cost to the ultimate client; and

(c) May not adopt rules that are more restrictive than is reasonably necessary to protect the public health and safety.

#### **SECTION 106. Authority to require preapproval of labels.**

(1) The Oregon Health Authority may by rule require a licensee to submit a label intended for use on a psilocybin product for preapproval by the authority before the licensee may sell or transfer a psilocybin product bearing the label. The authority shall determine whether a label submitted under this section complies with section 105 of this 2020 Act and any rule adopted under section 105 of this 2020 Act.

(2) The authority may impose a fee for submitting a label for preapproval under this section that is reasonably calculated to not exceed the cost of administering this section.

#### **SECTION 107. Packaging requirements; rules.**

(1) As is necessary to protect the public health and safety, and in consultation with the State Department of Agriculture and the Oregon Liquor Control Commission, the Oregon Health Authority shall adopt rules establishing standards for the packaging of psilocybin products, including but not limited to ensuring that psilocybin products are not marketed in a manner that:

(a) Is untruthful or misleading; or

(b) Otherwise creates a significant risk of harm to public health and safety.

(2) In adopting rules under sections 3 to 129 of this 2020 Act, the authority shall require all psilocybin products sold or transferred by a psilocybin service center that holds a license issued under section 26 of this 2020 Act to be packaged in accordance with subsection (1) of this section and rules adopted under subsection (1) of this section.

(3) In adopting rules under subsection (1) of this section, the authority:

(a) May establish different packaging standards for different varieties and types of psilocybin products;

(b) May consider the effect on the environment of requiring certain packaging;

(c) Shall consider the cost of a potential requirement and how that cost will affect the cost to the ultimate client; and

(d) May not adopt rules that are more restrictive than is reasonably necessary to protect the public health and safety.

#### **SECTION 108. Authority to require preapproval of packaging.**

(1) The Oregon Health Authority may by rule require a licensee to submit packaging intended for a psilocybin product for preapproval by the authority before the licensee may sell or transfer a psilocybin product packaged in the packaging. The authority shall determine whether packaging submitted under this section complies with section 107 of this 2020 Act and any rule adopted under section 107 of this 2020 Act.

(2) The authority may impose a fee for submitting packaging for preapproval under this section that is reasonably calculated to not exceed the cost of administering this section.

#### **SECTION 109. Dosage requirements; rules.**

(1) The Oregon Health Authority shall adopt rules establishing:

(a) The maximum concentration of psilocybin that is permitted in a single serving of a psilocybin product; and

(b) The number of servings that are permitted in a psilocybin product package.

(2) In adopting rules under sections 3 to 129 of this 2020 Act, the authority shall require all psilocybin products sold or transferred by a psilocybin service center that holds a license under section 26 of this 2020 Act to meet the concentration standards and packaging standards adopted by rule pursuant to this section.

**SECTION 110. Authority of Oregon Health Authority to inspect.**

To ensure compliance with sections 105 to 112 of this 2020 Act and any rule adopted under sections 105 to 112 of this 2020 Act, the Oregon Health Authority may inspect the premises of a person that holds a license under section 23 or 26 of this 2020 Act.

**SECTION 111. Authority of Oregon Health Authority to discipline licensees of authority.**

Subject to the applicable provisions of ORS chapter 183, if the applicant or licensee violates a provision of sections 105 to 112 of this 2020 Act or a rule adopted under a provision of sections 105 to 112 of this 2020 Act, the Oregon Health Authority may refuse to issue or renew, or may suspend or revoke, a license issued under section 23, 26 or 30 of this 2020 Act.

**SECTION 112. Civil penalty for violating sections 105 to 112 of this 2020 Act.**

(1) In addition to any other liability or penalty provided by law, the Oregon Health Authority may impose for each violation of a provision of sections 105 to 112 of this 2020 Act, or a rule adopted under a provision of sections 105 to 112 of this 2020 Act, a civil penalty that does not exceed \$500 for each day that the violation occurs.

(2) The authority shall impose civil penalties under this section in the manner provided by ORS 183.745.

(3) Moneys collected under this section shall be deposited in the Psilocybin Control and Regulation Fund established under section 69 of this 2020 Act and are continuously appropriated to the authority for the purpose of carrying out the duties, functions and powers of the authority under sections 3 to 129 of this 2020 Act.

**TAXATION OF PSILOCYBIN PRODUCTS**

**SECTION 113. Definitions for sections 113 to 127 of this 2020 Act.**

As used in sections 113 to 127 of this 2020 Act:

(1) "Retail sale" means any transfer, exchange, gift or barter of a psilocybin product by any person to a client.

(2) "Retail sales price" means the price paid for a psilocybin product, excluding tax, to a psilocybin service center operator by or on behalf of a client.

**SECTION 114. Imposition of tax on retail sale of psilocybin products.**

(1) A tax is hereby imposed upon the retail sale of psilocybin products in this state. The tax imposed by this section is a direct tax on the client, for which payment upon retail sale is required. The tax shall be collected at the point of sale of a psilocybin product by a psilocybin service center operator at the time at which the retail sale occurs.

(2) The tax imposed under this section shall be imposed at the rate of 15 percent of the retail sales price of psilocybin products.

(3) If the tax imposed under this section does not equal an amount calculable to a whole cent, the tax shall be equal to the next higher whole cent.

(4) Except as otherwise provided by the Department of Revenue by rule, the amount of the tax shall be separately stated on an invoice, receipt or other similar document that the psilocybin service center operator provides to the client at the time at which the retail sale occurs.

(5) A person may not knowingly sell, purchase, install, transfer or possess electronic devices or software programs for the purposes of:

(a) Hiding or removing records of retail sales of psilocybin products; or

(b) Falsifying records of retail sales of psilocybin products.

(6)(a) A psilocybin service center operator may not discount a psilocybin product or offer a psilocybin product for free if the retail sale of the psilocybin product is made in conjunction with the retail sale of any other item or service.

(b) Paragraph (a) of this subsection does not affect any provision of sections 3 to 129 of this 2020 Act or any rule adopted by the Oregon Health Authority pursuant to sections 3 to 129 of this 2020 Act that is related to the retail sale of psilocybin products.

(7) The authority shall regularly review the rate of tax under subsection (2) of this section and make recommendations to the Legislative Assembly regarding appropriate adjustments to the rate that will further the purposes of:

(a) Providing the authority with moneys sufficient to administer and enforce sections 3 to 129 of this 2020 Act; and

(b) Not providing the authority with moneys that exceed, together with fees collected under sections 3 to 129 of this 2020 Act, the cost of administering and enforcing sections 3 to 129 of this 2020 Act.

**SECTION 115. Collection of tax; refund; credit; penalties.**

(1) Except as otherwise provided in sections 113 to 127 of this 2020 Act, the tax imposed upon the client under section 114 of this 2020 Act shall be collected at the point of sale and remitted by each psilocybin service center operator that engages in the retail sale of psilocybin products. The tax is considered a tax upon the psilocybin service center operator that is required to collect the tax, and the psilocybin service center operator is considered a taxpayer.

(2) The psilocybin service center operator shall file a return to the Department of Revenue on or before the last day of January, April, July and October of each year for the previous calendar quarter.

(3) The psilocybin service center operator shall pay the tax to the department in the form and manner prescribed by the department, but not later than with each quarterly return, without regard to an extension granted under subsection (5) of this section.

(4) Psilocybin service center operators shall file the returns required under this section regardless of whether any tax is owed.

(5) For good cause, the department may extend the time for filing a return under this section. The extension may be granted at any time if a written request is filed with the department during or prior to the period for which the extension may be granted. The department may not grant an extension of more than 30 days.

(6) Interest shall be added at the rate established under ORS 305.220 from the time the return was originally required to be filed to the time of payment.

(7) If a psilocybin service center operator fails to file a return or pay the tax as required by this section, the department shall impose a penalty in the manner provided in ORS 314.400.

(8) Except as provided in subsections (9) and (10) of this section, the period prescribed for the department to allow or make a refund of any overpayment of tax paid under sections 113 to 127 of this 2020 Act is as provided in ORS 314.415.

(9)(a) The department shall first apply any overpayment of tax by a psilocybin service center operator to any psilocybin tax that is owed by the psilocybin service center operator.

(b) If after any offset against any delinquent amount the overpayment of tax remains greater than \$1,000, the remaining refund shall be applied as a credit against the next subsequent calendar quarter as an estimated payment.

(10) The department may not make a refund of, or credit, any overpayment of tax under sections 113 to 127 of this 2020 Act that was credited to the account of a psilocybin service center operator under subsection (9)(b) of this section if the return for that tax period is not filed within three years after the due date of that return.

**SECTION 116. Psilocybin revenue estimate.**

(1) Not later than 30 days before the beginning of each calendar quarter, the Oregon Department of Administrative Services shall forecast and prepare an estimate of the revenue that will be received during the remainder of the current biennium and subsequent three biennia pursuant to the tax imposed under section 114 of this 2020 Act. The estimate may be made on the basis of all pertinent information available to the Oregon Department of Administrative Services. Upon making the estimate, the Oregon Department of Administrative Services shall report the estimate to the Legislative Revenue Officer, the Legislative Fiscal Officer and the Department of Revenue.

(2) The Department of Revenue and the Oregon Health Authority shall provide the Oregon Department of Administrative Services with any information necessary for the Oregon Department of Administrative Services to perform its duties under this section.

**SECTION 117. Enforcement; liability; notice of liability; notices of determination and assessment.**

(1) Every person who collects any amount under section 115 of this 2020 Act shall hold the same in trust for the State of Oregon and for the payment thereof to the Department of Revenue in the manner and at the time provided in section 115 of this 2020 Act.

(2) At any time a psilocybin service center operator fails to remit any amount collected, the department may enforce collection by the issuance of a distraint warrant for the collection of the delinquent amount and all penalties, interest and collection charges accrued thereon. The warrant shall be issued, recorded and proceeded upon in the same manner and shall have the same force and effect as is prescribed with respect to warrants for the collection of delinquent income taxes.

(3)(a) In the case of a psilocybin service center operator that is assessed pursuant to the provisions of ORS 305.265 (12) and 314.407 (1), the department may issue a notice of liability to any officer, employee or member of the psilocybin service center operator within three years from the time of assessment. Within 30 days from the date the notice of liability is mailed to the officer, employee or member, the officer, employee or member shall pay the assessment, plus penalties and interest, or advise the department in writing of objections to the liability and, if desired, request a conference. A conference shall be governed by the provisions of ORS 305.265 pertaining to a conference requested from a notice of deficiency.

(b) After a conference or, if no conference is requested, a determination of the issues considering the written objections, the department shall mail the officer, employee or member a conference letter affirming, canceling or adjusting the notice of liability. Within 90 days from the date the conference letter is mailed to the officer, employee or member, the officer, employee or member shall pay the assessment, plus penalties and interest, or appeal to the tax court in the manner provided for an appeal from a notice of assessment.



(c) If the department does not receive payment or written objection to the notice of liability within 30 days after the notice of liability was mailed, the notice of liability becomes final. In that event, the officer, employee or member may appeal the notice of liability to the tax court within 90 days after it became final in the manner provided for an appeal from a notice of assessment.

(4)(a) In the case of a failure to file a return on the due date, governed by the provisions of ORS 305.265 (10) and 314.400, the department, in addition to any action described in the provisions of ORS 305.265 (10) and 314.400, may send notices of determination and assessment to any officer, employee or member any time within three years after the assessment. The time of assessment against the officer, employee or member is 30 days after the date the notice of determination and assessment is mailed. Within 30 days from the date the notice of determination and assessment is mailed to the officer, employee or member, the officer, employee or member shall pay the assessment, plus penalties and interest, or advise the department in writing of objections to the assessment and, if desired, request a conference. A conference shall be governed by the provisions of ORS 305.265 pertaining to a conference requested from a notice of deficiency.

(b) After a conference or, if no conference is requested, a determination of the issues considering the written objections, the department shall mail the officer, employee or member a conference letter affirming, canceling or adjusting the notice of determination and assessment. Within 90 days from the date the conference letter is mailed to the officer, employee or member, the officer, employee or member shall pay the assessment, plus penalties and interest, or appeal in the manner provided for an appeal from a notice of assessment.

(c) If the department does not receive payment or written objection to the notice of determination and assessment within 30 days after the notice of determination and assessment was mailed, the notice of determination and assessment becomes final. In that event, the officer, employee or member may appeal the notice of determination and assessment to the tax court within 90 days after it became final in the manner provided for an appeal from a notice of assessment.

(5)(a) More than one officer or employee of a corporation may be held jointly and severally liable for payment of taxes.

(b) Notwithstanding the confidentiality provisions of section 125 of this 2020 Act, if more than one officer or employee of a corporation may be held jointly and severally liable for payment of taxes, the department may require any or all of the officers, members or employees who may be held liable to appear before the department for a joint determination of liability. The department shall notify each officer, member or employee of the time and place set for the determination of liability.

(c) Each person notified of a joint determination under this subsection shall appear and present such information as is necessary to establish that person's liability or nonliability for payment of taxes to the department. If a person who was notified fails to appear, the department shall make

its determination on the basis of all the information and evidence presented. The department's determination is binding on all persons notified and required to appear under this subsection.

(d)(A) If an appeal is taken to the Oregon Tax Court pursuant to section 125 of this 2020 Act by any person determined to be liable for unpaid taxes under this subsection, each person required to appear before the department under this subsection shall be impleaded by the plaintiff. The department may implead any officer, employee or member who may be held jointly and severally liable for the payment of taxes. Each person impleaded under this paragraph shall be made a party to the action before the tax court and shall make available to the tax court the information that was presented before the department, as well as other information that may be presented to the court.

(B) The court may determine that one or more persons impleaded under this paragraph are liable for unpaid taxes without regard to any earlier determination by the department that an impleaded person was not liable for unpaid taxes.

(C) If a person required to appear before the court under this subsection fails or refuses to appear or bring such information in part or in whole, or is outside the jurisdiction of the tax court, the court shall make its determination on the basis of all the evidence introduced. Notwithstanding section 125 of this 2020 Act, the evidence constitutes a public record and shall be available to the parties and the court. The determination of the tax court is binding on all persons made parties to the action under this subsection.

(e) This section may not be construed to preclude a determination by the department or the Oregon Tax Court that more than one officer, employee or member are jointly and severally liable for unpaid taxes.

#### **SECTION 118. Duty to keep receipts, invoices and other records.**

(1) A psilocybin service center operator shall keep receipts, invoices and other pertinent records related to retail sales of psilocybin products in the form required by the Department of Revenue. Each record shall be preserved for five years from the time to which the record relates, or for as long as the psilocybin service center operator retains the psilocybin products to which the record relates, whichever is later. During the retention period and at any time prior to the destruction of records, the department may give written notice to the psilocybin service center operator not to destroy records described in the notice without written permission of the department. Notwithstanding any other provision of law, the department shall preserve reports and returns filed with the department for at least five years.

(2) The department or its authorized representative, upon oral or written demand, may make examinations of the books, papers, records and equipment of persons making retail sales of

psilocybin products and any other investigations as the department deems necessary to carry out the provisions of sections 113 to 127 of this 2020 Act.

**SECTION 119. Authority to require production of books, papers, accounts and other information.**

(1) The Department of Revenue has authority, by order or subpoena to be served with the same force and effect and in the same manner as a subpoena is served in a civil action in the circuit court, or the Oregon Tax Court, to require the production at any time and place the department designates of any books, papers, accounts or other information necessary to carry out sections 113 to 127 of this 2020 Act. The department may require the attendance of any person having knowledge in the premises, and may take testimony and require proof material for the information, with power to administer oaths to the person.

(2) If a person fails to comply with a subpoena or order of the department or to produce or permit the examination or inspection of any books, papers, records and equipment pertinent to an investigation or inquiry under sections 113 to 127 of this 2020 Act, or to testify to any matter regarding which the person is lawfully interrogated, the department may apply to the Oregon Tax Court or to the circuit court of the county in which the person resides or where the person is for an order to the person to attend and testify, or otherwise to comply with the demand or request of the department. The department shall apply to the court by ex parte motion, upon which the court shall make an order requiring the person against whom the motion is directed to comply with the request or demand of the department within 10 days after the service of the order, or within the additional time granted by the court, or to justify the failure within that time. The order shall be served upon the person to whom it is directed in the manner required by this state for service of process, which service is required to confer jurisdiction upon the court. Failure to obey any order issued by the court under this section is contempt of court. The remedy provided by this section is in addition to other remedies, civil or criminal, existing under the tax laws or other laws of this state.

**SECTION 120. Disclosure of information.**

(1) Notwithstanding the confidentiality provisions of section 125 of this 2020 Act, the Department of Revenue may disclose information received under ORS 317.363 and sections 113 to 127 of this 2020 Act to the Oregon Health Authority to carry out the provisions of sections 3 to 129 of this 2020 Act.

(2) The authority may disclose information obtained pursuant to sections 3 to 129 of this 2020 Act to the department for the purpose of carrying out the provisions of sections 3 to 129 of this 2020 Act.

**SECTION 121. Right to appeal determination of tax liability.**

Except as otherwise provided in sections 3 to 129 of this 2020 Act, a person aggrieved by an act or determination of the Department of Revenue or its authorized agent under ORS 317.363 and sections 113 to 127 of this 2020 Act may appeal, within 90 days after the act or determination, to the Oregon Tax Court in the manner provided in ORS 305.404 to 305.560. These appeal rights are the exclusive remedy available to determine the person's liability for the tax imposed under sections 113 to 127 of this 2020 Act.

**SECTION 122. Duty to return excess tax collected.**

(1)(a) When an amount represented by a psilocybin service center operator at retail to a client as constituting the tax imposed under sections 113 to 127 of this 2020 Act is computed upon an amount that is not taxable or is in excess of the taxable amount and is actually paid by the client to the psilocybin service center operator, the excess tax paid shall be returned by the psilocybin service center operator to the client upon written notification by the Department of Revenue or the client.

(b) The written notification must contain information necessary to determine the validity of the client's claim.

(2) If the psilocybin service center operator does not return the excess tax within 60 days after mailing of the written notification required under subsection (1) of this section, the client may appeal to the department for a refund of the amount of the excess tax, in the manner and within the time allowed under rules adopted by the department.

(3) If excess tax is returned to the client by the department, the department may issue a notice of deficiency for the excess tax to the psilocybin service center operator in the manner provided under ORS 305.265.

**SECTION 123. Authority to retain portions of tax to pay expenses incurred.**

For the purpose of compensating psilocybin service center operators for expenses incurred in collecting the tax imposed under section 114 of this 2020 Act, each psilocybin service center operator is permitted to deduct and retain two percent of the amount of taxes that are collected by the psilocybin service center operator from all retail sales of psilocybin products conducted by the psilocybin service center operator.

**SECTION 124. Duties and powers of Department of Revenue; rules; interagency cooperation.**

(1) The Department of Revenue shall administer and enforce sections 113 to 127 of this 2020 Act. The department is authorized to establish rules and procedures for the implementation and enforcement of sections 113 to 127 of this 2020 Act that are consistent with sections 113 to 127 of this 2020 Act and that the department considers necessary and appropriate to administer and enforce sections 113 to 127 of this 2020 Act.

(2) The Oregon Health Authority shall enter into an agreement with the department for the purpose of administering and enforcing those provisions of sections 113 to 127 of this 2020 Act, and rules or procedures established for the purpose of implementing and enforcing sections 113 to 127 of this 2020 Act, that the authority and the department determine are necessary for the effective and efficient administration, implementation and enforcement of sections 113 to 127 of this 2020 Act.

**SECTION 125. Applicability of tax laws to sections 113 to 127 of this 2020 Act.**

Except as otherwise provided in sections 113 to 127 of this 2020 Act or where the context requires otherwise, the provisions of ORS chapters 305 and 314 as to the audit and examination of returns, periods of limitation, determination of and notices of deficiencies, assessments, collections, liens, delinquencies, claims for refund and refunds, conferences, appeals to the Oregon Tax Court, stays of collection pending appeal, confidentiality of returns and the penalties relative thereto, and the procedures relating thereto, apply to the determinations of taxes, penalties and interest under sections 113 to 127 of this 2020 Act.

**SECTION 126. Oregon Psilocybin Account.**

(1) There is established the Oregon Psilocybin Account, separate and distinct from the General Fund.

(2) The account shall consist of moneys transferred to the account under section 127 of this 2020 Act.

(3)(a) The Department of Revenue shall certify quarterly the amount of moneys available in the Oregon Psilocybin Account.

(b) The department shall transfer quarterly the moneys in the Oregon Psilocybin Account to the Psilocybin Control and Regulation Fund.

**SECTION 127. Suspense account; payment of expenses; crediting balance to Oregon Psilocybin Account.**

(1) All moneys received by the Department of Revenue under sections 113 to 127 of this 2020 Act shall be deposited in the State Treasury and credited to a suspense account established under ORS 293.445. The department may pay expenses for the administration and enforcement of sections 113 to 127 of this 2020 Act out of moneys received from the tax imposed under section 114 of this 2020 Act. Amounts necessary to pay administrative and enforcement expenses are continuously appropriated to the department from the suspense account.

(2) After the payment of administrative and enforcement expenses and refunds or credits arising from erroneous overpayments, the department shall credit the balance of the moneys received by the department under this section to the Oregon Psilocybin Account established under section 126 of this 2020 Act.

## **AUTHORITY OF CITIES AND COUNTIES TO PROHIBIT ESTABLISHMENT OF PSILOCYBIN-RELATED BUSINESSES**

### **SECTION 128. Adoption of ordinances; referral to electors for approval.**

(1) The governing body of a city or county may adopt ordinances to be referred to the electors of the city or county as described in subsection (2) of this section that prohibit or allow the establishment of any one or more of the following in the area subject to the jurisdiction of the city or in the unincorporated area subject to the jurisdiction of the county:

- (a) Psilocybin product manufacturers that hold a license issued under section 23 of this 2020 Act;
- (b) Psilocybin service center operators that hold a license issued under section 26 of this 2020 Act;  
or
- (c) Any combination of the entities described in this subsection.

(2) If the governing body of a city or county adopts an ordinance under this section, the governing body shall submit the measure of the ordinance to the electors of the city or county for approval at the next statewide general election.

(3) If the governing body of a city or county adopts an ordinance under this section, the governing body must provide the text of the ordinance to the Oregon Health Authority.

(4) Upon receiving notice of a prohibition under subsection (3) of this section, the authority shall discontinue licensing those premises to which the prohibition applies until the date of the next statewide general election.

(5) If an allowance is approved at the next statewide general election under subsection (2) of this section, the authority shall begin licensing the premises to which the allowance applies on the

first business day of the January immediately following the date of the next statewide general election.

(6) Notwithstanding any other provisions of law, a city or county that adopts an ordinance under this section that prohibits the establishment of an entity described in subsection (1) of this section may not impose a tax or fee on the manufacturing or sale of psilocybin products.

## SEVERABILITY

### **SECTION 129. Severability.**

If any section, subsection, paragraph, phrase or word of sections 3 to 129 of this 2020 Act is held to be unconstitutional, void or illegal, either on its face or as applied, that holding does not affect the applicability, constitutionality or legality of any other section, subsection, paragraph, phrase or word of sections 3 to 129 of this 2020 Act. To that end, the sections, subsections, paragraphs, phrases and words of sections 3 to 129 of this 2020 Act are intended to be severable. It is hereby declared to be the intent of the people of this state in adopting sections 3 to 129 of this 2020 Act that sections 3 to 129 of this 2020 Act would have been adopted had such unconstitutional, void or illegal sections, subsections, paragraphs, phrases or words, if any, not been included in sections 3 to 129 of this 2020 Act.

## CONFORMING AMENDMENT

### **SECTION 130. ORS 475.005 is amended to read:**

As used in ORS 475.005 to 475.285 and 475.752 to 475.980, unless the context requires otherwise:

- (1) "Abuse" means the repetitive excessive use of a drug short of dependence, without legal or medical supervision, which may have a detrimental effect on the individual or society.
- (2) "Administer" means the direct application of a controlled substance, whether by injection, inhalation, ingestion or any other means, to the body of a patient or research subject by:
  - (a) A practitioner or an authorized agent thereof; or
  - (b) The patient or research subject at the direction of the practitioner.
- (3) "Administration" means the Drug Enforcement Administration of the United States Department of Justice, or its successor agency.



(4) "Agent" means an authorized person who acts on behalf of or at the direction of a manufacturer, distributor or dispenser. It does not include a common or contract carrier, public warehouseman or employee of the carrier or warehouseman.

(5) "Board" means the State Board of Pharmacy.

(6) "Controlled substance":

(a) Means a drug or its immediate precursor classified in Schedules I through V under the federal Controlled Substances Act, 21 U.S.C. 811 to 812, as modified under ORS 475.035. The use of the term "precursor" in this paragraph does not control and is not controlled by the use of the term "precursor" in ORS 475.752 to 475.980.

(b) Does not include:

(A) The plant Cannabis family Cannabaceae;

(B) Any part of the plant Cannabis family Cannabaceae, whether growing or not;

(C) Resin extracted from any part of the plant Cannabis family Cannabaceae;

(D) The seeds of the plant Cannabis family Cannabaceae [*or*]

(E) Any compound, manufacture, salt, derivative, mixture or preparation of a plant, part of a plant, resin or seed described in this paragraph [*or*]; **or**

**(F) Psilocybin or psilocin, but only if and to the extent that a person manufactures, delivers, or possesses psilocybin, psilocin, or psilocybin products in accordance with the provisions of sections 3 to 129 of this 2020 Act and rules adopted under sections 3 to 129 of this 2020 Act.**

(7) "Counterfeit substance" means a controlled substance or its container or labeling, which, without authorization, bears the trademark, trade name, or other identifying mark, imprint, number or device, or any likeness thereof, of a manufacturer, distributor or dispenser other than the person who in fact manufactured, delivered or dispensed the substance.

(8) "Deliver" or "delivery" means the actual, constructive or attempted transfer, other than by administering or dispensing, from one person to another of a controlled substance, whether or not there is an agency relationship.

(9) "Device" means instruments, apparatus or contrivances, including their components, parts or accessories, intended:

(a) For use in the diagnosis, cure, mitigation, treatment or prevention of disease in humans or animals; or

(b) To affect the structure of any function of the body of humans or animals.

(10) "Dispense" means to deliver a controlled substance to an ultimate user or research subject by or pursuant to the lawful order of a practitioner, and includes the prescribing, administering, packaging, labeling or compounding necessary to prepare the substance for that delivery.

(11) "Dispenser" means a practitioner who dispenses.

(12) "Distributor" means a person who delivers.

(13) "Drug" means:

(a) Substances recognized as drugs in the official United States Pharmacopoeia, official Homeopathic Pharmacopoeia of the United States or official National Formulary, or any supplement to any of them;

(b) Substances intended for use in the diagnosis, cure, mitigation, treatment or prevention of disease in humans or animals;

(c) Substances (other than food) intended to affect the structure or any function of the body of humans or animals; and

(d) Substances intended for use as a component of any article specified in paragraph (a), (b) or (c) of this subsection; however, the term does not include devices or their components, parts or accessories.

(14) "Electronically transmitted" or "electronic transmission" means a communication sent or received through technological apparatuses, including computer terminals or other equipment or mechanisms linked by telephone or microwave relays, or any similar apparatus having electrical, digital, magnetic, wireless, optical, electromagnetic or similar capabilities.

(15) "Manufacture" means the production, preparation, propagation, compounding, conversion or processing of a controlled substance, either directly or indirectly by extraction from substances of natural origin, or independently by means of chemical synthesis, or by a combination of extraction and chemical synthesis, and includes any packaging or repackaging of the substance or labeling or relabeling of its container, except that this term does not include the preparation or compounding of a controlled substance:

(a) By a practitioner as an incident to administering or dispensing of a controlled substance in the course of professional practice; or

(b) By a practitioner, or by an authorized agent under the practitioner's supervision, for the purpose of, or as an incident to, research, teaching or chemical analysis and not for sale.

(16) "Person" includes a government subdivision or agency, business trust, estate, trust or any other legal entity

(17) "Practitioner" means physician, dentist, veterinarian, scientific investigator, certified nurse practitioner, physician assistant or other person licensed, registered or otherwise permitted by

law to dispense, conduct research with respect to or to administer a controlled substance in the course of professional practice or research in this state but does not include a pharmacist or a pharmacy.

(18) "Prescription" means a written, oral or electronically transmitted direction, given by a practitioner for the preparation and use of a drug. When the context requires, "prescription" also means the drug prepared under such written, oral or electronically transmitted direction. Any label affixed to a drug prepared under written, oral or electronically transmitted direction shall prominently display a warning that the removal thereof is prohibited by law.

(19) "Production" includes the manufacture, planting, cultivation, growing or harvesting of a controlled substance.

(20) "Research" means an activity conducted by the person registered with the federal Drug Enforcement Administration pursuant to a protocol approved by the United States Food and Drug Administration.

(21) "Ultimate user" means a person who lawfully possesses a controlled substance for the use of the person or for the use of a member of the household of the person or for administering to an animal owned by the person or by a member of the household of the person.

(22) "Usable quantity" means:

(a) An amount of a controlled substance that is sufficient to physically weigh independent of its packaging and that does not fall below the uncertainty of the measuring scale; or

(b) An amount of a controlled substance that has not been deemed unweighable, as determined by a Department of State Police forensic laboratory, due to the circumstances of the controlled substance.

(23) "Within 1,000 feet" means a straight line measurement in a radius extending for 1,000 feet or less in every direction from a specified location or from any point on the boundary line of a specified unit of property.

## OTHER AMENDMENTS

### **SECTION 131. ORS 316.680 is amended to read:**

316.680. (1) There shall be subtracted from federal taxable income:

(a) The interest or dividends on obligations of the United States and its territories and possessions or of any authority, commission or instrumentality of the United States to the extent includable in gross income for federal income tax purposes but exempt from state income taxes under the

laws of the United States. However, the amount subtracted under this paragraph shall be reduced by any interest on indebtedness incurred to carry the obligations or securities described in this paragraph, and by any expenses incurred in the production of interest or dividend income described in this paragraph to the extent that such expenses, including amortizable bond premiums, are deductible in determining federal taxable income.

(b) The amount of any federal income taxes accrued by the taxpayer during the taxable year as described in ORS 316.685, less the amount of any refunds of federal taxes previously accrued for which a tax benefit was received.

(c) Amounts allowable under sections 2621(a)(2) and 2622(b) of the Internal Revenue Code to the extent that the taxpayer does not elect under section 642(g) of the Internal Revenue Code to reduce federal taxable income by those amounts.

(d) Any supplemental payments made to JOBS Plus Program participants under ORS 411.892.

(e)(A) Federal pension income that is attributable to federal employment occurring before October 1, 1991. Federal pension income that is attributable to federal employment occurring before October 1, 1991, shall be determined by multiplying the total amount of federal pension income for the tax year by the ratio of the number of months of federal creditable service occurring before October 1, 1991, over the total number of months of federal creditable service.

(B) The subtraction allowed under this paragraph applies only to federal pension income received at a time when:

(i) Benefit increases provided under chapter 569, Oregon Laws 1995, are in effect; or

(ii) Public Employees Retirement System benefits received for service prior to October 1, 1991, are exempt from state income tax.

(C) As used in this paragraph:

(i) "Federal creditable service" means those periods of time for which a federal employee earned a federal pension.

(ii) "Federal pension" means any form of retirement allowance provided by the federal government, its agencies or its instrumentalities to retirees of the federal government or their beneficiaries.

(f) Any amount included in federal taxable income for the tax year that is attributable to the conversion of a regular individual retirement account into a Roth individual retirement account described in section 408A of the Internal Revenue Code, to the extent that:

(A) The amount was subject to the income tax of another state or the District of Columbia in a prior tax year; and

(B) The taxpayer was a resident of the other state or the District of Columbia for that prior tax year.

(g) Any amounts awarded to the taxpayer by the Public Safety Memorial Fund Board under ORS 243.954 to 243.974 to the extent that the taxpayer has not taken the amount as a deduction in determining the taxpayer's federal taxable income for the tax year.

(h) If included in taxable income for federal tax purposes, the amount withdrawn during the tax year in qualified withdrawals from a savings network account for higher education established under ORS 178.300 to 178.355.

(i) Any federal deduction that the taxpayer would have been allowed for the production, processing or sale of marijuana items authorized under ORS 475B.010 to 475B.545 or 475B.785 to 475B.949 but for section 280E of the Internal Revenue Code.

**(j) Any federal deduction that the taxpayer would have been allowed for the manufacturing or sale of psilocybin products or the provision of psilocybin services authorized under sections 3 to 129 of this 2020 Act but for section 280E of the Internal Revenue Code.**

~~(j)~~ **(k)** If included in taxable income for federal tax purposes, any distributions from an ABLE account that do not exceed the qualified disability expenses of the designated beneficiary as provided in ORS 178.375 and 178.380 and rules adopted by the Oregon 529 Savings Board.

(2) There shall be added to federal taxable income:

(a) Interest or dividends, exempt from federal income tax, on obligations or securities of any foreign state or of a political subdivision or authority of any foreign state. However, the amount added under this paragraph shall be reduced by any interest on indebtedness incurred to carry the obligations or securities described in this paragraph and by any expenses incurred in the production of interest or dividend income described in this paragraph.

(b) Interest or dividends on obligations of any authority, commission, instrumentality and territorial possession of the United States that by the laws of the United States are exempt from federal income tax but not from state income taxes. However, the amount added under this paragraph shall be reduced by any interest on indebtedness incurred to carry the obligations or securities described in this paragraph and by any expenses incurred in the production of interest or dividend income described in this paragraph.

(c) The amount of any federal estate taxes allocable to income in respect of a decedent not taxable by Oregon.

(d) The amount of any allowance for depletion in excess of the taxpayer's adjusted basis in the property depleted, deducted on the taxpayer's federal income tax return for the taxable year, pursuant to sections 613, 613A, 614, 616 and 617 of the Internal Revenue Code.

(e) For taxable years beginning on or after January 1, 1985, the dollar amount deducted under section 151 of the Internal Revenue Code for personal exemptions for the taxable year.

(f) The amount taken as a deduction on the taxpayer's federal return for unused qualified business credits under section 196 of the Internal Revenue Code.

(g) The amount of any increased benefits paid to a taxpayer under chapter 569, Oregon Laws 1995, under the provisions of chapter 796, Oregon Laws 1991, and under section 26, chapter 815, Oregon Laws 1991, that is not includable in the taxpayer's federal taxable income under the Internal Revenue Code.

(h) The amount of any long term care insurance premiums paid or incurred by the taxpayer during the tax year if:

(A) The amount is taken into account as a deduction on the taxpayer's federal return for the tax year; and

(B) The taxpayer claims the credit allowed under ORS 315.610 for the tax year.

(i) Any amount taken as a deduction under section 1341 of the Internal Revenue Code in computing federal taxable income for the tax year, if the taxpayer has claimed a credit for claim of right income repayment adjustment under ORS 315.068.

(j) If the taxpayer makes a nonqualified withdrawal, as defined in ORS 178.300, from a savings network account for higher education established under ORS 178.300 to 178.355, the amount of the withdrawal that is attributable to contributions that were subtracted from federal taxable income under ORS 316.699.

(k) If the taxpayer makes a distribution from an ABLE account that is not a qualified disability expense of the designated beneficiary as provided in ORS 178.375 and 178.380 and rules adopted by the Oregon 529 Savings Board, the amount of the distribution that is attributable to contributions that were subtracted from federal taxable income under ORS 316.699.

(3) Discount and gain or loss on retirement or disposition of obligations described under subsection (2)(a) of this section issued on or after January 1, 1985, shall be treated for purposes of this chapter in the same manner as under sections 1271 to 1283 and other pertinent sections of the Internal Revenue Code as if the obligations, although issued by a foreign state or a political subdivision of a foreign state, were not tax exempt under the Internal Revenue Code.

**SECTION 132. ORS 317.363 is amended to read:**

317.363. Section 280E of the Internal Revenue Code applies to all trafficking in controlled substances in Schedule I or Schedule II that is prohibited by federal law or the laws of this state, other than conduct authorized under:

(1) ORS 475B.010 to 475B.545 or 475B.785 to 475B.949 [.] ; or

(2) Sections 3 to 129 of this 2020 Act.

## DATES

### **SECTION 133. Effective date.**

This 2020 Act becomes effective 30 days after the date on which it is approved by a majority of the votes cast on it.

### **SECTION 134. Operative date.**

(1) Sections 3 to 129 of this 2020 Act and the amendments to ORS 475.005, 316.680, and 317.363 by sections 130 to 132 of this 2020 Act become operative on January 1, 2021.

(2) The Oregon Health Authority, the Governor, the Department of Agriculture and the Oregon Liquor Control Commission may take any action before the operative date specified in subsection (1) of this section that is necessary to enable the authority, the Governor, the department or the commission to exercise, on and after the operative date specified in subsection (1) of this section, all the duties, functions and powers conferred on the authority, the Governor, the department and the commission by sections 3 to 129 of this 2020 Act.





AGENDA ITEM COVER SHEET
Morrow County Board of Commissioners
(Page 1 of 2)

(For BOC Use)
Item #

Please complete for each agenda item submitted for consideration by the Board of Commissioners
(See notations at bottom of form)

Presenter at BOC: Katie Imes
Department: Public Transit - The Loop
Short Title of Agenda Item:
(No acronyms please)

Date submitted to reviewers: 6/30/2022
Requested Agenda Date: 6/13/2022

ODOT Agreement #35370 5310 Grant Program

This Item Involves: (Check all that apply for this meeting.)
Order or Resolution
Ordinance/Public Hearing:
1st Reading 2nd Reading
Public Comment Anticipated:
Estimated Time:
Document Recording Required
Contract/Agreement
Appointments
Update on Project/Committee
Consent Agenda Eligible
Discussion & Action
Estimated Time:
Purchase Pre-Authorization
Other

N/A
Purchase Pre-Authorizations, Contracts & Agreements
Contractor/Entity: Oregon Department of Transportation
Contractor/Entity Address: 355 Capitol St. N.E. Salem, OR 97301-3871
Effective Dates - From: July 1, 2022 Through: June 30, 2024
Total Contract Amount: \$48,400 Budget Line: 504-504-3-30-3147
Does the contract amount exceed \$5,000? Yes No

Reviewed By:
Department Director Required for all BOC meetings
Administrator Required for all BOC meetings
County Counsel \*Required for all legal documents
Finance Office \*Required for all contracts; other items as appropriate.
Human Resources \*If appropriate
\* Allow 1 week for review (submit to all simultaneously). When each office has notified the submitting department of approval, then submit the request to the BOC for placement on the agenda.

Note: All other entities must sign contracts/agreements before they are presented to the Board of Commissioners (originals preferred). Agendas are published each Friday afternoon, so requests must be received in the BOC Office by 1:00 p.m. on the Friday prior to the Board's Wednesday meeting. Once this form is completed, including County Counsel, Finance and HR review/sign-off (if appropriate), then submit it to the Board of Commissioners Office.

# AGENDA ITEM COVER SHEET

Morrow County Board of Commissioners

(Page 2 of 2)

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## **1. ISSUES, BACKGROUND, DISCUSSION AND OPTIONS (IF ANY):**

### Project Description:

Provide funding for preventive maintenance on vehicles in the provision of public transportation. Proper maintenance ensures assets are kept in good condition per manufacture's recommendations and that safety standards are met.

Preventative maintenance reimbursed in this Agreement is for assets used in the provision of public transportation service for the general public, seniors, or individuals with disabilities. This Agreement does not provide maintenance on staff vehicles, vehicles used for business of Recipient, or maintenance vehicles.

## **2. FISCAL IMPACT:**

Revenue to budget 504 - FEDERAL FUNDS for \$48,400 match of \$9,688 from budget 216 - STATE FUNDS.

## **3. SUGGESTED ACTION(S)/MOTION(S):**

Motion to approve and sign agreement #35370 with the Oregon Department of Transportation, effective upon full execution through June 30, 2024.

Attach additional background documentation as needed.

PUBLIC TRANSPORTATION DIVISION  
OREGON DEPARTMENT OF TRANSPORTATION

This Agreement is made and entered into by and between the **State of Oregon**, acting by and through its Department of Transportation, Public Transportation Division, hereinafter referred to as "State," and **Morrow County**, hereinafter referred to as "Recipient," and collectively referred to as the "Parties."

**AGREEMENT**

1. **Effective Date.** This Agreement shall become effective on the later of **July 1, 2022** or the date when this Agreement is fully executed and approved as required by applicable law. Unless otherwise terminated or extended, Grant Funds under this Agreement shall be available for Project Costs incurred on or before **June 30, 2024** (the "Expiration Date"). No Grant Funds are available for any expenditures after the Expiration Date. State's obligation to disburse Grant Funds under this Agreement shall end as provided in Section 10 of this Agreement.
2. **Agreement Documents.** This Agreement consists of this document and the following documents, all of which are attached hereto and incorporated herein by reference:

**Exhibit A: Project Description and Budget**

**Exhibit B: Financial Information**

**Exhibit C: Subagreement Insurance Requirements and Recipient Insurance Requirements**

**Exhibit D: Summary of Federal Requirements, incorporating by reference Annual List of Certifications and Assurances for Federal Transit Administration Grants and Cooperative Agreements ("Certifications and Assurances") and Federal Transit Administration Master Agreement**

**Exhibit E: Information required by 2 CFR 200.332(a), may be accessed at <https://www.oregon.gov/odot/RPTD/Pages/index.aspx>, Oregon Public Transit Information System (OPTIS), as the information becomes available**

In the event of a conflict between two or more of the documents comprising this Agreement, the language in the document with the highest precedence shall control. The precedence of each of the documents comprising this Agreement is as follows, listed from highest precedence to lowest precedence: Exhibit D; Exhibit E; this Agreement without Exhibits; Exhibit A; Exhibit B; Exhibit C.

3. **Project Cost; Grant Funds; Match.** The total project cost is estimated at **\$48,440.00**. In accordance with the terms and conditions of this Agreement, State shall provide Recipient an amount not to exceed **\$38,752.00** (the "Grant Funds") for eligible costs described in Section 6.a. hereof. Recipient shall provide matching funds for all Project Costs as described in Exhibit A. Recipient will be responsible for all Project Costs not covered by the Grant Funds.
4. **Project.** The Grant Funds shall be used solely for the project described in Exhibit A (the "Project") and shall not be used for any other purpose. No Grant Funds will be disbursed for any changes to the Project unless such changes are approved by State by amendment pursuant to Section 11.a hereof.
5. **Progress Reports.** Recipient shall submit quarterly progress reports to State no later than 45 days after the close of each quarterly reporting period. Reporting periods are July through September, October through December, January through March, and April through June. Reports must be in a format acceptable to State and must be entered into the Oregon Public Transit Information System (OPTIS), which may be accessed at <https://www.oregon.gov/odot/RPTD/Pages/index.aspx>. If Recipient is unable to access OPTIS, reports must be sent to [ODOTPTDReporting@odot.state.or.us](mailto:ODOTPTDReporting@odot.state.or.us). Reports shall include a statement of revenues and expenditures for each quarter, including documentation of local match contributions and expenditures. State reserves the right to request such additional information as may be

necessary to comply with federal or state reporting requirements.

**6. Disbursement and Recovery of Grant Funds.**

- a. **Disbursement Generally.** State shall reimburse eligible costs incurred in carrying out the Project, up to the Grant Funds amount provided in Section 3. Reimbursements shall be made by State within 30 days of State's approval of a request for reimbursement from Recipient using a format that is acceptable to State. Requests for reimbursement must be entered into OPTIS or sent to ODOTPTDReporting@odot.state.or.us. Eligible costs are the reasonable and necessary costs incurred by Recipient, or under a subagreement described in Section 9 of this Agreement, in performance of the Project and that are not excluded from reimbursement by State, either by this Agreement or by exclusion as a result of financial review or audit.
- b. **Conditions Precedent to Disbursement.** State's obligation to disburse Grant Funds to Recipient is subject to satisfaction, with respect to each disbursement, of each of the following conditions precedent:
  - i. State has received funding, appropriations, limitations, allotments or other expenditure authority sufficient to allow State, in the exercise of its reasonable administrative discretion, to make the disbursement.
  - ii. Recipient is in compliance with the terms of this Agreement including, without limitation, Exhibit D and the requirements incorporated by reference in Exhibit D.
  - iii. Recipient's representations and warranties set forth in Section 7 hereof are true and correct on the date of disbursement with the same effect as though made on the date of disbursement.
  - iv. Recipient has provided to State a request for reimbursement using a format that is acceptable to and approved by State. Recipient must submit its final request for reimbursement following completion of the Project and no later than 60 days after the Expiration Date. Failure to submit the final request for reimbursement within 60 days after the Expiration Date could result in non-payment.
- c. **Recovery of Grant Funds.**
  - i. **Recovery of Misexpended Funds or Nonexpended Funds.** Any Grant Funds disbursed to Recipient under this Agreement that are either (i) disbursed but unexpended as of the Expiration Date ("Unexpended Funds") or (ii) expended in violation or contravention of one or more of the provisions of this Agreement ("Misexpended Funds") must be returned to State. Recipient shall return all Misexpended Funds to State no later than 15 days after State's written demand. Recipient shall return all Unexpended Funds to State within 15 days after the earlier of expiration or termination of this Agreement.
  - ii. **Recovery of Funds upon Termination.** If this Agreement is terminated under either Section 10(a)(i) or Section 10(a)(v) below, Recipient shall return to State all funds disbursed to Recipient within 15 days after State's written demand for the same.

**7. Representations and Warranties of Recipient.** Recipient represents and warrants to State as follows:

- a. **Organization and Authority.** Recipient is duly organized and validly existing under the laws of the State of Oregon and is eligible to receive the Grant Funds. Recipient has full power, authority, and legal right to make this Agreement and to incur and perform its obligations hereunder, and the making and performance by Recipient of this Agreement (1) have been duly authorized by all necessary action of Recipient and (2) do not and will not violate any provision of any applicable law, rule, regulation, or order of any court, regulatory commission, board, or other administrative agency or any provision of Recipient's Articles of Incorporation or Bylaws, if applicable, (3) do not and will not result in the breach of, or constitute a default or require any consent under any other agreement or instrument to which Recipient is a party or by which Recipient or any of its properties may be bound or affected. No authorization, consent, license, approval of, filing or registration with or notification to any governmental body or regulatory or supervisory authority is required for the execution, delivery or performance by Recipient

of this Agreement.

- b. **Binding Obligation.** This Agreement has been duly executed and delivered by Recipient and constitutes a legal, valid and binding obligation of Recipient, enforceable in accordance with its terms subject to the laws of bankruptcy, insolvency, or other similar laws affecting the enforcement of creditors' rights generally.
- c. **No Solicitation.** Recipient's officers, employees, and agents shall neither solicit nor accept gratuities, favors, or any item of monetary value from contractors, potential contractors, or parties to subagreements, except as permitted by applicable law. No member or delegate to the Congress of the United States or State of Oregon employee shall be admitted to any share or part of this Agreement or any benefit arising therefrom.
- d. **No Debarment.** Neither Recipient nor its principals is presently debarred, suspended, or voluntarily excluded from this federally-assisted transaction, or proposed for debarment, declared ineligible or voluntarily excluded from participating in this Agreement by any state or federal agency. Recipient agrees to notify State immediately if it is debarred, suspended or otherwise excluded from this federally-assisted transaction for any reason or if circumstances change that may affect this status, including without limitation upon any relevant indictments or convictions of crimes.

The warranties set in this section are in addition to, and not in lieu of, any other warranties set forth in this Agreement or implied by law.

**8. Records Maintenance and Access; Audit.**

- a. **Records, Access to Records and Facilities.** Recipient shall make and retain proper and complete books of record and account and maintain all fiscal records related to this Agreement and the Project in accordance with all applicable generally accepted accounting principles, generally accepted governmental auditing standards and state minimum standards for audits of municipal corporations. Recipient shall require that each of its subrecipients and subcontractors complies with these requirements. State, the Secretary of State of the State of Oregon (Secretary), the United States Department of Transportation (USDOT), the Federal Transit Administration (FTA) and their duly authorized representatives shall have access to the books, documents, papers and records of Recipient that are directly related to this Agreement, the funds provided hereunder, or the Project for the purpose of making audits and examinations. In addition, State, the Secretary, USDOT, FTA and their duly authorized representatives may make and retain excerpts, copies, and transcriptions of the foregoing books, documents, papers, and records. Recipient shall permit authorized representatives of State, the Secretary, USDOT and FTA to perform site reviews of the Project, and to inspect all vehicles, real property, facilities and equipment purchased by Recipient as part of the Project, and any transportation services rendered by Recipient.
- b. **Retention of Records.** Recipient shall retain and keep accessible all books, documents, papers, and records that are directly related to this Agreement, including, without limitation, records relating to capital assets funded by this Agreement, the Grant Funds or the Project for a minimum of six (6) years, or such longer period as may be required by other provisions of this Agreement or applicable law, following the Expiration Date. If there are unresolved audit questions at the end of the six-year period, Recipient shall retain the records until the questions are resolved.
- c. **Expenditure Records.** Recipient shall document the expenditure of all Grant Funds disbursed by State under this Agreement. Recipient shall create and maintain all expenditure records in accordance with generally accepted accounting principles and in sufficient detail to permit State to verify how the Grant Funds were expended.
- d. **Audit Requirements.**
  - i. Recipients receiving federal funds in excess of \$750,000 are subject to audit conducted in accordance with the provisions of 2 CFR part 200, subpart F. Recipient, if subject to this requirement, shall at Recipient's own expense submit to State, Public Transportation Division, 555 13th Street NE, Suite 3, Salem, Oregon, 97301-4179 or to [ODOTPTDReporting@odot.state.or.us](mailto:ODOTPTDReporting@odot.state.or.us), a copy of, or electronic link to, its annual audit subject to this requirement covering the funds expended under this Agreement and shall submit or cause to be submitted, the annual audit



of any subrecipient(s), contractor(s), or subcontractor(s) of Recipient responsible for the financial management of funds received under this Agreement.

- ii. Recipient shall indemnify, save, protect and hold harmless State from the cost of any audits or special investigations performed by the Secretary with respect to the funds expended under this Agreement. Recipient acknowledges and agrees that any audit costs incurred by Recipient as a result of allegations of fraud, waste or abuse are ineligible for reimbursement under this or any other agreement between Recipient and State.

This Section 8 shall survive any expiration or termination of this Agreement.

## 9. Recipient Subagreements and Procurements

- a. **Subagreements.** Recipient may enter into agreements with sub-recipients, contractors or subcontractors (collectively, "subagreements") for performance of the Project.
  - i. All subagreements must be in writing executed by Recipient and must incorporate and pass through all of the applicable requirements of this Agreement to the other party or parties to the subagreement(s). Use of a subagreement does not relieve Recipient of its responsibilities under this Agreement.
  - ii. Recipient shall require all of its contractors performing work under this Agreement to name State as a third-party beneficiary of Recipient's subagreement with the contractor and to name State as an additional or "dual" obligee on contractors' payment and performance bonds.
  - iii. Recipient shall provide State with a copy of any signed subagreement, as well as any other purchasing or contracting documentation, upon request by State. This paragraph 9.a.iii. shall survive expiration or termination of this Agreement.
  - iv. Recipient must report to State any material breach of a term or condition of a subagreement within ten (10) days of Recipient discovering the breach.
- b. Recipient shall review the *Best Practices Procurement Manual*, a technical assistance manual prepared by the FTA, available on the FTA website: [www.fta.dot.gov/grants/13054\\_6037.html](http://www.fta.dot.gov/grants/13054_6037.html)
- c. **Subagreement indemnity; insurance**
  - i. ***Recipient's subagreement(s) shall require the other party to such subagreements(s) that is not a unit of local government as defined in ORS 190.003, if any, to indemnify, defend, save and hold harmless State and its officers, employees and agents from and against any and all claims, actions, liabilities, damages, losses, or expenses, including attorneys' fees, arising from a tort, as now or hereafter defined in ORS 30.260, caused, or alleged to be caused, in whole or in part, by the negligent or willful acts or omissions of the other party to Recipient's subagreement or any of such party's officers, agents, employees or subcontractors ("Claims"). It is the specific intention of the Parties that the State shall, in all instances, except for Claims arising solely from the negligent or willful acts or omissions of the State, be indemnified by the other party to Recipient's subagreement(s) from and against any and all Claims.***
  - ii. **Any such indemnification shall also provide that neither Recipient's subrecipient(s), contractor(s) nor subcontractor(s) (collectively "Subrecipients"), nor any attorney engaged by Recipient's Subrecipient(s), shall defend any claim in the name of the State or any agency of the State of Oregon, nor purport to act as legal representative of the State of Oregon or any of its agencies, without the prior written consent of the Oregon Attorney General. The State may, at any time at its election, assume its own defense and settlement in the event that it determines that Recipient's Subrecipient is prohibited from defending State or that Recipient's Subrecipient is not adequately defending State's interests, or that an important governmental principle is at issue or that it is in the best interests of State to do so. State reserves all rights to**

**pursue claims it may have against Recipient's Subrecipient if State elects to assume its own defense.**

- iii. Recipient shall require the other party, or parties, to each of its subagreements that are not units of local government as defined in ORS 190.003 to obtain and maintain insurance requirements provided in Exhibit C to this Agreement. Recipient may specify insurance requirements of its contractor(s) above the minimum insurance requirements specified in Exhibit C. Recipient shall verify its contractor(s) meet the insurance requirements in Exhibit C.
- d. **Procurements.** Recipient shall make purchases of any equipment, materials, or services for the Project under procedures that comply with Oregon law, as applicable, including all applicable provisions of the Oregon Public Contracting Code and rules, and in conformance to FTA Circular 4220.1F, Third Party Contracting Requirements including:
  - i. All applicable clauses required by federal statute, executive orders and their implementing regulations are included in each competitive procurement;
  - ii. All procurement transactions are conducted in a manner providing full and open competition;
  - iii. Procurements exclude the use of statutorily or administratively imposed in-state or geographic preference in the evaluation of bids or proposals (with exception of locally controlled licensing requirements);
  - iv. Construction, architectural and engineering procurements are based on Brooks Act procedures unless the procurement is subject to ORS 279C.100 to 279C.125.
- e. **Additional requirements**
  - i. Recipient shall comply with 49 CFR sections 37.77(c) and 37.105 regarding "Certification of Equivalent Service" when purchasing vehicles under this Agreement. If non-accessible vehicles, as defined by the Americans with Disabilities Act, are being purchased for use by a public entity in demand responsive service for the general public, Recipient will certify to State at the time of applying for a project that, when viewed in its entirety, the demand responsive service offered to persons with disabilities, including persons who use wheelchairs, meets the standard of equivalent service.
  - ii. Recipient shall comply with 49 CFR 663 regarding pre-award and post-delivery reviews. Every Recipient purchasing rolling stock or facilities under this Agreement must certify to State that a pre-award and post-delivery review has been conducted in accordance with ODOT requirements. This review ensures compliance to bid specifications including, but not limited to, FTA requirements, State requirements, and Federal Motor Carrier Safety Standards, as applicable to the type of project. Each Recipient's certification must include assurance that required documents have been received from manufacturers or vendors of products, or from both, and that Recipient possesses such documents. Acceptable certification forms are available from State. Recipient must provide certification forms to State when reimbursement is requested for vehicles. For facilities projects, Recipient must provide pre-award certifications to State at time of first payment, and post-delivery certifications upon completion of the post-delivery review, and in no event later than with Recipient's request for final payment.
  - iii. Recipient shall comply with 49 CFR 604 in the provision of any charter service provided with vehicles, facilities, or equipment acquired with FTA assistance under this Agreement.
  - iv. Recipient shall submit an annual vehicle inspection report to State for any vehicle purchased under this Agreement. Vehicle inspections shall be conducted by a vehicle maintenance technician certified by a nationally recognized organization in the field of vehicle service and maintenance. Reports covering required areas of inspection shall be submitted on forms provided by State.
  - v. All drivers of vehicles purchased with FTA funds under this Agreement must complete a standard defensive driving course before operating an FTA-funded vehicle, and are advised to complete a standard defensive driving course before



- operating a State-funded vehicle.
- vi. Recipient shall maintain all vehicles, equipment, and facilities purchased under this Agreement in good condition per manufacturer's recommendations. Recipients are required to develop preventive maintenance plans for all rolling stock and facilities and to provide the plans to State upon request.
  - vii. Recipient shall be the owner of the property for facility construction projects and of vehicles purchased under this Agreement. Such ownership shall be recorded on real property deeds for facility construction projects and on vehicle titles. If Recipient contracts the operation of vehicles to a third party, then the third party may be shown as the owner or lessee with Recipient listed as the second security interest holder or lessor. In all cases, Oregon Department of Transportation, Public Transportation Division shall be shown as the first security interest holder on vehicle titles. If Recipient fails to show Oregon Department of Transportation, Public Transportation Division as the first security interest holder, Recipient shall pay any expenses to re-submit the necessary documents to Oregon Department of Transportation, Driver and Motor Vehicle Services (DMV). If a vehicle is damaged or destroyed at any time when Recipient fails to show Oregon Department of Transportation, Public Transportation Division, as the first security interest holder, Recipient shall be liable to State for any damage in an amount in the same manner as if Oregon Department of Transportation, Public Transportation Division, were shown as the first security interest holder.
  - viii. Recipient shall bear the cost of insuring assets purchased under this Agreement.
  - ix. Recipient shall file a restrictive covenant with the property deed for all construction projects and purchases of real estate, with the exception of passenger shelters, amenities, and right-of-way infrastructure improvements. The restrictive covenant will limit the use of the building and property to the stated purpose specified in the statement of work associated with this Agreement.
  - x. Recipient shall complete all purchases, including installation, and all construction of capital assets funded under this Agreement prior to the Expiration Date of this Agreement. If local circumstances prevent purchase, installation, or construction by the specified date, Recipient will notify State in writing of the circumstances regarding the delay. Such notification must be received at least forty-five (45) days prior to the expiration of the Agreement. Agreement amendment for time will be considered in extenuating circumstances.
- f. **Conflict of Interest.** Recipient's public officials shall comply with Oregon's government ethics laws, ORS 244.010 et seq., as those laws may be subsequently amended.

## 10. Termination

- a. **Termination by State.** State may terminate this Agreement effective upon delivery of written notice of termination to Recipient, or at such later date as may be established by State in such written notice, if:
- i. Recipient fails to perform the Project within the time specified herein or any extension thereof or commencement, continuation or timely completion of the Project by Recipient is, for any reason, rendered improbable, impossible, or illegal; or
  - ii. State fails to receive funding, appropriations, limitations or other expenditure authority sufficient to allow State, in the exercise of its reasonable administrative discretion, to continue to make payments for performance of this Agreement; or
  - iii. Federal or state laws, rules, regulations or guidelines are modified or interpreted in such a way that the Project is no longer allowable or no longer eligible for funding under this Agreement; or
  - iv. The Project would not produce results commensurate with the further expenditure of funds; or
  - v. Recipient takes any action pertaining to this Agreement without the approval of State and which under the provisions of this Agreement would have required the

approval of State.

- b. **Termination by Recipient.** Recipient may terminate this Agreement effective upon delivery of written notice of termination to State, or at such later date as may be established by Recipient in such written notice, if:
  - i. The requisite local funding to continue the Project becomes unavailable to Recipient; or
  - ii. Federal or state laws, rules, regulations or guidelines are modified or interpreted in such a way that the Project is no longer allowable or no longer eligible for funding under this Agreement.
- c. **Termination by Either Party.** Either Party may terminate this Agreement upon at least ten days' notice to the other Party and failure of the other Party to cure within the period provided in the notice, if the other Party fails to comply with any of the terms of this Agreement.

## 11. General Provisions

- a. **Amendments.** This Agreement may be amended or extended only by a written instrument signed by both Parties and approved as required by applicable law.
- b. **Contribution.**
  - i. If any third party makes any claim or brings any action, suit or proceeding alleging a tort as now or hereafter defined in ORS 30.260 ("Third Party Claim") against State or Recipient with respect to which the other Party may have liability, the notified Party must promptly notify the other Party in writing of the Third Party Claim and deliver to the other Party a copy of the claim, process, and all legal pleadings with respect to the Third Party Claim. Each Party is entitled to participate in the defense of a Third Party Claim, and to defend a Third Party Claim with counsel of its own choosing. Receipt by a Party of the notice and copies required in this paragraph and meaningful opportunity for the Party to participate in the investigation, defense and settlement of the Third Party Claim with counsel of its own choosing are conditions precedent to that Party's liability with respect to the Third Party Claim.
  - ii. Except as otherwise provided in Paragraph 11.c below, with respect to a Third Party Claim for which State is jointly liable with Recipient (or would be if joined in the Third Party Claim ), State shall contribute to the amount of expenses (including attorneys' fees), judgments, fines and amounts paid in settlement actually and reasonably incurred and paid or payable by Recipient in such proportion as is appropriate to reflect the relative fault of the State on the one hand and of the Recipient on the other hand in connection with the events which resulted in such expenses, judgments, fines or settlement amounts, as well as any other relevant equitable considerations. The relative fault of State on the one hand and of Recipient on the other hand shall be determined by reference to, among other things, the Parties' relative intent, knowledge, access to information and opportunity to correct or prevent the circumstances resulting in such expenses, judgments, fines or settlement amounts. State's contribution amount in any instance is capped to the same extent it would have been capped under Oregon law, including the Oregon Tort Claims Act, ORS 30.260 to 30.300, if State had sole liability in the proceeding.
  - iii. Except as otherwise provided in Paragraph 11.c below, with respect to a Third Party Claim for which Recipient is jointly liable with State (or would be if joined in the Third Party Claim), Recipient shall contribute to the amount of expenses (including attorneys' fees), judgments, fines and amounts paid in settlement actually and reasonably incurred and paid or payable by State in such proportion as is appropriate to reflect the relative fault of Recipient on the one hand and of State on the other hand in connection with the events which resulted in such expenses, judgments, fines or settlement amounts, as well as any other relevant equitable considerations. The relative fault of Recipient on the one hand and of State on the other hand shall be determined by reference to, among other things, the Parties' relative intent, knowledge, access to information and opportunity to correct or prevent the circumstances resulting in such expenses, judgments, fines

or settlement amounts. Recipient's contribution amount in any instance is capped to the same extent it would have been capped under Oregon law, including the Oregon Tort Claims Act, ORS 30.260 to 30.300, if it had sole liability in the proceeding.

**c. Indemnification.**

- i. Subject to any limitations imposed by State law and the Oregon Constitution, Recipient agrees to the following contract-related indemnification for all projects authorized under this Agreement:
- ii. Where Recipient contracts for services or performs project management for a project, Recipient shall accept all responsibility, defend lawsuits, indemnify, and hold State harmless, for all contract-related claims and suits. This includes but is not limited to all contract claims or suits brought by any contractor, whether arising out of the contractor's work, Recipient's supervision of any individual project or contract, or Recipient's failure to comply with the terms of this Agreement.

Sections 11.b and 11.c shall survive termination of this Agreement.

- d. **Insurance.** Recipient shall meet the insurance requirements within Exhibit C.
- e. **Dispute Resolution.** The Parties shall attempt in good faith to resolve any dispute arising out of this Agreement. In addition, the Parties may agree to utilize a jointly selected mediator or arbitrator (for non-binding arbitration) to resolve the dispute short of litigation.
- f. **Responsibility for Grant Funds.** Any recipient of Grant Funds, pursuant to this Agreement with State, shall assume sole liability for that recipient's breach of the conditions of this Agreement, and shall, upon recipient's breach of conditions that requires State to return funds to the FTA, hold harmless and indemnify State for an amount equal to the funds received under this Agreement; or if legal limitations apply to the indemnification ability of the recipient of Grant Funds, the indemnification amount shall be the maximum amount of funds available for expenditure, including any available contingency funds or other available non-appropriated funds, up to the amount received under this Agreement.
- g. **Duplicate Payment.** Recipient is not entitled to compensation or any other form of duplicate, overlapping or multiple payments for the same work performed under this Agreement from any agency of the State of Oregon or the United States of America or any other party, organization or individual.
- h. **No Third Party Beneficiaries.** State and Recipient are the only Parties to this Agreement and are the only Parties entitled to enforce its terms. Nothing in this Agreement gives, is intended to give, or shall be construed to give or provide any benefit or right, whether directly or indirectly, to a third person unless such a third person is individually identified by name herein and expressly described as an intended beneficiary of the terms of this Agreement.

Recipient acknowledges and agrees that the Federal Government, absent express written consent by the Federal Government, is not a party to this Agreement and shall not be subject to any obligations or liabilities to the Recipient, contractor or any other party (whether or not a party to the Agreement) pertaining to any matter resulting from the this Agreement.

- i. **Notices.** Except as otherwise expressly provided in this Agreement, any communications between the Parties hereto or notices to be given hereunder shall be given in writing by personal delivery, facsimile, email, or mailing the same, postage prepaid, to Recipient Contact or State Contact at the address or number set forth on the signature page of this Agreement, or to such other addresses or numbers as either Party may hereafter indicate pursuant to this subsection. Any communication or notice personally delivered shall be deemed to be given when actually delivered. Any communication or notice delivered by facsimile shall be deemed to be given when receipt of the transmission is generated by the transmitting machine, and to be effective against State, such facsimile transmission must be confirmed by telephone notice to State Contact. Any communication by email shall be deemed to be given when the

recipient of the email acknowledges receipt of the email. Any communication or notice mailed shall be deemed to be given when received.

- j. **Governing Law, Consent to Jurisdiction.** This Agreement shall be governed by and construed in accordance with the laws of the State of Oregon without regard to principles of conflicts of law. Any claim, action, suit or proceeding (collectively, "Claim") between State (or any other agency or department of the State of Oregon) and Recipient that arises from or relates to this Agreement shall be brought and conducted solely and exclusively within the Circuit Court of Marion County in the State of Oregon. In no event shall this section be construed as a waiver by the State of Oregon of any form of defense or immunity, whether sovereign immunity, governmental immunity, immunity based on the eleventh amendment to the Constitution of the United States or otherwise, from any Claim or from the jurisdiction of any court. EACH PARTY HEREBY CONSENTS TO THE EXCLUSIVE JURISDICTION OF SUCH COURT, WAIVES ANY OBJECTION TO VENUE, AND WAIVES ANY CLAIM THAT SUCH FORUM IS AN INCONVENIENT FORUM.
- k. **Compliance with Law.** Recipient shall comply with all federal, state and local laws, regulations, executive orders and ordinances applicable to the Agreement or to the implementation of the Project, as applicable to Recipient, including without limitation as described in Exhibit D. Without limiting the generality of the foregoing, Recipient expressly agrees to comply with (i) Title VI of Civil Rights Act of 1964; (ii) Title V and Section 504 of the Rehabilitation Act of 1973; (iii) the Americans with Disabilities Act of 1990 and ORS 659A.142; (iv) all regulations and administrative rules established pursuant to the foregoing laws; and (v) all other applicable requirements of federal and state civil rights and rehabilitation statutes, rules and regulations.
- l. **Independent Contractor.** Recipient shall perform the Project as an independent contractor and not as an agent or employee of State. Recipient has no right or authority to incur or create any obligation for or legally bind State in any way. State cannot and will not control the means or manner by which Recipient performs the Project, except as specifically set forth in this Agreement. Recipient is responsible for determining the appropriate means and manner of performing the Project. Recipient acknowledges and agrees that Recipient is not an "officer", "employee", or "agent" of State, as those terms are used in ORS 30.265, and shall not make representations to third parties to the contrary.
- m. **Severability.** If any term or provision of this Agreement is declared by a court of competent jurisdiction to be illegal or in conflict with any law, the validity of the remaining terms and provisions shall not be affected, and the rights and obligations of the Parties shall be construed and enforced as if this Agreement did not contain the particular term or provision held to be invalid.
- n. **Counterparts.** This Agreement may be executed in two or more counterparts (by facsimile or otherwise), each of which is an original and all of which together are deemed one agreement binding on all Parties, notwithstanding that all Parties are not signatories to the same counterpart.
- o. **Integration and Waiver.** This Agreement, including all Exhibits, constitutes the entire agreement between the Parties on the subject matter hereof. There are no understandings, agreements, or representations, oral or written, not specified herein regarding this Agreement. The delay or failure of either Party to enforce any provision of this Agreement shall not constitute a waiver by that Party of that or any other provision. Recipient, by the signature below of its authorized representative, hereby acknowledges that it has read this Agreement, understands it, and agrees to be bound by its terms and conditions.
- p. **Survival.** The following provisions survive termination of this Agreement: Sections 6.c., 8 and 11.

**The Parties**, by execution of this Agreement, hereby acknowledge that each Party has read this Agreement, understands it, and agrees to be bound by its terms and conditions.

The Oregon Transportation Commission on October 20, 2010, approved Delegation Order Number OTC-01, which authorizes the Director of the Oregon Department of Transportation to administer programs related to public transit.

On March 1, 2012, the Director approved Delegation Order Number DIR-04, which delegates the authority to approve this Agreement to the Public Transportation Division Administrator.

**SIGNATURE PAGE TO FOLLOW**

**Morrow County**, by and through its

\_\_\_\_\_

By \_\_\_\_\_  
(Legally designated representative)

Name \_\_\_\_\_  
(printed)

Date \_\_\_\_\_

By \_\_\_\_\_

Name \_\_\_\_\_  
(printed)

Date \_\_\_\_\_

**APPROVED AS TO LEGAL SUFFICIENCY**

(If required in local process)

By \_\_\_\_\_  
Recipient's Legal Counsel

Date \_\_\_\_\_

**Recipient Contact:**

Katie Imes  
PO Box 495  
Heppner, OR 97836  
1 (541) 676-5667  
kimes@co.morrow.or.us

**State Contact:**

Arla Miller  
555 13TH ST NE  
Salem, OR 97301  
1 (503) 949-5415  
Arla.MILLER@odot.state.or.us

**Signed Agreement Return Address: ODOTPTDReporting@odot.state.or.us**

**State of Oregon**, by and through its  
Department of Transportation

By \_\_\_\_\_  
Karyn Criswell  
Public Transportation Division Administrator

Date \_\_\_\_\_

**APPROVAL RECOMMENDED**

By \_\_\_\_\_ Arla Miller

Date \_\_\_\_\_ 06/29/2022

**APPROVED AS TO LEGAL SUFFICIENCY**

(For funding over \$150,000)

N/A



**EXHIBIT A**

**Project Description and Budget**

**Project Description/Statement of Work**

<b>Project Title: 2022-24 R5 5310 Morrow County</b>				
<b>P-21-1863-01 Item #1: Preventive Maintenance</b>				
	Total	Grant Amount	Local Match	Match Type(s)
	\$48,440.00	\$38,752.00	\$9,688.00	State Funds
<b>Sub Total</b>	\$48,440.00	\$38,752.00	\$9,688.00	
<b>Grand Total</b>	<b>\$48,440.00</b>	<b>\$38,752.00</b>	<b>\$9,688.00</b>	

**1. PROJECT DESCRIPTION**

*Provide funding for preventive maintenance on vehicles in the provision of public transportation. Proper maintenance ensures assets are kept in good condition per manufacturer's recommendations and that safety standards are met.*

*Preventive maintenance reimbursed in this Agreement is for assets used in the provision of public transportation services for the general public, seniors, or individuals with disabilities. This Agreement does not provide for maintenance on staff vehicles, vehicles used for business of Recipient, or maintenance vehicles.*

**2. PROJECT DELIVERABLES and TASKS**

*All preventive maintenance tasks must be completed prior to the expiration date of this Agreement.*

*Preventive maintenance expenses include activities, supplies, materials, labor, services, and associated costs required to preserve or extend the functionality and serviceability of the asset in a cost effective manner. Preventive maintenance includes, but is not limited to the following: oil changes; engine tune-ups; tire purchases; tire maintenance; annual vehicle inspections; scheduled or routine maintenance; and associated parts, supplies, and labor.*

*Preventive maintenance under this Agreement does not include repairs resulting from motor vehicle accidents covered by insurance, repairs on vehicles or components under warranty, or repairs which are paid for in other agreements or contracts.*

*Recipient must provide to State a plan for proposed preventive maintenance, unless a plan is already on file with State. Reimbursement requests must match the activities or purchases described in Recipient's plan.*

*A major component replacement (such as an engine or transmission), that keeps an asset within useful life (overhaul), or extends the useful life (rebuild) may be eligible for reimbursement under this Agreement, pending verification of conformance to Recipient's adopted maintenance plan and requirements detailed in Federal Transit Administration Circular 5010.1E (Award Management Requirements), Chapter IV.*

*A vehicle must meet at least 40 percent of its useful life to be considered for an overhaul. Recipient must obtain pre-approval from State prior to any vehicle overhaul. Vehicle rebuilds must extend the useful life of the vehicle by at least four years.*

*If local circumstances change, for example, vehicle type or asset disposition, Recipient's maintenance plan must be updated to reflect that change and submitted to State within 90 days of the change.*

**3. PROJECT ACCOUNTING and MATCHING FUNDING**

*Sources that may be used as Recipient's matching funds for this Agreement include Special*



*Transportation Fund, local funds, service contract revenue, advertisement income, other earned income, cash donations, and other verifiable in-kind contributions that are integral to the project budget. Recipient may not use passenger fares as matching funds. Under this Agreement, State will bear the sum remaining after the amount of Recipient's required share of local matching funds is subtracted from the total project expenses.*

#### **4. REPORTING and INVOICING REQUIREMENTS**

*Recipient will request reimbursement for covered expenses incurred during each period as prescribed by State and described in Recipient's submitted preventive maintenance plan for this Agreement. Recipient must maintain and provide supporting documents detailing the total expenses for allowable maintenance activities incurred during the period. Recipient may list costs on a form provided by State, or provide vendor invoices.*

**EXHIBIT B**  
**FINANCIAL INFORMATION**

The information below will assist auditors to prepare a report in compliance with the requirements of 2 CFR part 200, subpart F.

This Agreement is financed by the funding source indicated below:

<b>Federal Program</b> 49 U.S.C. 5310	<b>Federal Funding Agency</b> U.S. Department of Transportation Federal Transit Administration 915 Second Avenue, Suite 3142 Seattle, WA 98174	<b>CFDA Number</b> <b>20.513 (5310)</b>	<b>Total Federal Funding</b> <b>\$38,752.00</b>
--	--	--	--

<b>Administered By</b> Public Transportation Division 555 13TH ST NE Salem, OR 97301
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## EXHIBIT C

### Insurance Requirements

#### Subagreement Insurance Requirements

##### GENERAL.

Recipient shall require in its first tier subagreements with entities that are not units of local government as defined in ORS 190.003, if any, to: i) obtain insurance specified under TYPES AND AMOUNTS and meeting the requirements under ADDITIONAL INSURED, "TAIL" COVERAGE, NOTICE OF CANCELLATION OR CHANGE, and CERTIFICATES OF INSURANCE before performance under the subagreement commences, and ii) maintain the insurance in full force throughout the duration of the subagreement. The insurance must be provided by insurance companies or entities that are authorized to transact the business of insurance and issue coverage in the State of Oregon and that are acceptable to State. Recipient shall not authorize work to begin under subagreements until the insurance is in full force. Thereafter, Recipient shall monitor continued compliance with the insurance requirements on an annual or more frequent basis. Recipient shall incorporate appropriate provisions in the subagreement permitting it to enforce compliance with the insurance requirements and shall take all reasonable steps to enforce such compliance. In no event shall Recipient permit work under a subagreement when Recipient is aware that the contractor is not in compliance with the insurance requirements. As used in this section, "first tier" means a subagreement in which the Recipient is a Party.

##### TYPES AND AMOUNTS.

##### WORKERS COMPENSATION.

All employers, including Contractor, that employ subject workers, as defined in ORS 656.027, shall comply with ORS 656.017 and shall provide **Workers' Compensation Insurance** coverage for those workers, unless they meet the requirement for an exemption under ORS 656.126(2). The coverage shall include Employer's Liability Insurance with limits not less than \$500,000 each accident. **Contractor shall require compliance with these requirements in each of its subcontractor contracts.**

##### COMMERCIAL GENERAL LIABILITY.

Commercial General Liability Insurance shall be issued on an occurrence basis covering bodily injury and property damage and shall include personal and advertising injury liability, products and completed operations, and contractual liability coverage. When work to be performed includes operations or activity within 50 feet of any railroad property, bridge, trestle, track, roadbed, tunnel, underpass or crossing, the Contractor shall provide the Contractual Liability - Railroads CG 24 17 endorsement, or equivalent, on the Commercial General Liability policy. Amounts below are a minimum requirement as determined by State:

Coverage shall be written on an occurrence basis in an amount of not less than **\$1,000,000** per occurrence.

Annual aggregate limit shall not be less than **\$2,000,000**.

##### AUTOMOBILE LIABILITY.

Automobile Liability Insurance covering Contractor's business-related automobile use covering all owned, non-owned, or hired vehicles for bodily injury and property. Amount below is a minimum requirement as determined by State:

Coverage shall be written with a combined single limit of not less than **\$1,000,000**.

This coverage may be written in combination with the Commercial General Liability Insurance (with separate limits for Commercial General Liability and Automobile Liability).

**EXCESS/UMBRELLA LIABILITY.**

A combination of primary and Excess/Umbrella Liability Insurance may be used to meet the required limits of insurance.

**ADDITIONAL INSURED.**

The liability insurance coverages, except Professional Liability or Workers' Compensation/Employer's Liability, if included, must include the **"State of Oregon, the Oregon Transportation Commission and the Department of Transportation, and their respective officers, members, agents and employees"** as an **endorsed** Additional Insured but only with respect to the contractor's activities to be performed under the Subagreement. Coverage shall be primary and non-contributory with any other insurance and self-insurance.

Additional Insured Endorsements on the Commercial General Liability shall be written on ISO Form CG 20 10 07 04, or equivalent, with respect to liability arising out of ongoing operations and ISO Form CG 20 37 07 04, or equivalent, with respect to liability arising out of completed operations. Additional Insured Endorsements shall be submitted with the Certificate(s) of Insurance and must be acceptable to the Recipient.

**"TAIL" COVERAGE.**

If any of the required insurance policies is on a "claims made" basis, such as professional liability insurance or pollution liability insurance, the contractor shall maintain either "tail" coverage or continuous "claims made" liability coverage, provided the effective date of the continuous "claims made" coverage is on or before the effective date of the Subagreement, for a minimum of twenty-four (24) months following the later of : (i) the contractor's completion and Recipient's acceptance of all Services required under the Subagreement or, (ii) the expiration of all warranty periods provided under the Subagreement. Notwithstanding the foregoing twenty-four (24) month requirement, if the contractor elects to maintain "tail" coverage and if the maximum time period "tail" coverage reasonably available in the marketplace is less than the twenty-four (24) month period described above, then the contractor may request and State may grant approval of the maximum "tail " coverage period reasonably available in the marketplace. If State approval is granted, the contractor shall maintain "tail" coverage for the maximum time period that "tail" coverage is reasonably available in the marketplace.

**NOTICE OF CANCELLATION OR CHANGE.**

The contractor or its insurer must provide thirty (30) days' written notice to Recipient before cancellation of, material change to, potential exhaustion of aggregate limits of, or non-renewal of the required insurance coverage(s). **The Recipient shall immediately notify State of any change in insurance coverage.**

**CERTIFICATE(S) OF INSURANCE.**

Recipient shall obtain from the contractor a certificate(s) of insurance for all required insurance before the contractor performs under the Subcontract. The certificate(s) or an attached endorsement must specify: i) all entities and individuals who are endorsed on the policy as Additional Insured and ii) for insurance on a "claims made" basis, the extended reporting period applicable to "tail" or continuous "claims made" coverage.

**Recipient Insurance Requirements**

**GENERAL.**

Recipient shall: i) obtain at the Recipient's expense the insurance specified under TYPES AND AMOUNTS and meeting the requirements under ADDITIONAL INSURED, "TAIL" COVERAGE, NOTICE OF CANCELLATION OR CHANGE, and CERTIFICATES OF INSURANCE before performance under this Agreement commences, and ii) maintain the insurance in full force and at its own expense throughout the duration of this Agreement. Recipient shall obtain the following insurance from insurance companies or entities that are authorized to transact the business of insurance and issue coverage in the State of Oregon and that are acceptable to State. Coverage shall be primary and non-contributory with any other insurance and self-insurance with the exception of Professional Liability and Workers' Compensation. Recipient shall pay for all deductibles, self-insurance retention and self-insurance, if any.

**INSURANCE REQUIREMENT REVIEW.**

Recipient agrees to periodic review of insurance requirements by State under this Agreement and to provide updated requirements as mutually agreed upon by Recipient and State.

**TYPES AND AMOUNTS.**

**WORKERS COMPENSATION.**

All employers, including Recipient, that employ subject workers, as defined in ORS 656.027, shall comply with ORS 656.017 and shall provide **Workers' Compensation Insurance** coverage for those workers, unless they meet the requirement for an exemption under ORS 656.126(2). The coverage shall include Employers liability insurance with coverage limits of not less than \$500,000 must be included.

**COMMERCIAL GENERAL LIABILITY.**

Commercial General Liability Insurance shall be issued on an occurrence basis covering bodily injury, death, and property damage and shall include personal and advertising injury liability, products and completed operations and contractual liability coverage. When work to be performed includes operations or activity within 50 feet of any railroad property, bridge, trestle, track, roadbed, tunnel, underpass or crossing, the Contractor shall provide the Contractual Liability - Railroads CG 24 17 endorsement, or equivalent, on the Commercial General Liability policy. Commercial General Liability Insurance shall not be less than the following amounts as determined by State:

Coverage shall be written on an occurrence basis in an amount of not less than **\$1,000,000** per occurrence.

Annual aggregate limit shall not be less than **\$2,000,000**.

**AUTOMOBILE LIABILITY.**

Automobile Liability Insurance covering business-related automobile use on all owned, non-owned or hired vehicles for bodily injury and property. Automobile Liability Insurance shall not be less than the following amount as determined by State:

Coverage shall be written with a combined single limit of not less than **\$1,000,000**.

This coverage may be written in combination with the Commercial General Liability Insurance (with separate limits for Commercial General Liability and Automobile Liability).

**EXCESS/UMBRELLA LIABILITY.**

A combination of primary and Excess/Umbrella Liability Insurance may be used to meet the required limits of insurance.

**ADDITIONAL INSURED.**

The liability insurance coverages, except Professional Liability or Workers' Compensation/Employer's Liability, if included, must include the **"State of Oregon, the Oregon Transportation Commission and the Department of Transportation, and their respective officers, members, agents and employees"** as an **endorsed** Additional Insured but only with respect to the Recipient's activities to be performed under this Agreement. Coverage shall be primary and non-contributory with any other insurance and self-insurance.

Additional Insured Endorsements on the Commercial General Liability shall be written on ISO Form CG 20 10 07 04, or equivalent, with respect to liability arising out of ongoing operations and ISO Form CG 20 37 07 04, or equivalent, with respect to liability arising out of completed operations. Additional Insured Endorsements shall be submitted with the Certificate(s) of Insurance and must be acceptable to the Recipient.

**"TAIL" COVERAGE.**

If any of the required insurance policies is on a "claims made" basis, such as professional liability insurance, Recipient shall maintain either "tail" coverage or continuous "claims made" liability

coverage, provided the effective date of the continuous "claims made" coverage is on or before the effective date of this Agreement, for a minimum of 24 months following the later of: (i) Recipient's completion and State's acceptance of all Services required under this Agreement or, (ii) the expiration of all warranty periods provided under this Agreement. Notwithstanding the foregoing 24-month requirement, if Recipient elects to maintain "tail" coverage and if the maximum time period "tail" coverage reasonably available in the marketplace is less than the 24-month period described above, then Recipient may request and State may grant approval of the maximum "tail" coverage period reasonably available in the marketplace. If State approval is granted, Recipient shall maintain "tail" coverage for the maximum time period that "tail" coverage is reasonably available in the marketplace.

**NOTICE OF CANCELLATION OR CHANGE.**

Recipient or its insurer must provide 30 days' written notice to State before cancellation of, material change to, potential exhaustion of aggregate limits of, or non-renewal of the required insurance coverage(s).

**CERTIFICATE(S) OF INSURANCE.**

State shall obtain from Recipient a certificate(s) of insurance for all required insurance before the effective date of this Agreement. The certificate(s) or an attached endorsement must specify: i) all entities and individuals who are endorsed on the policy as Additional Insured and ii) for insurance on a "claims made" basis, the extended reporting period applicable to "tail" or continuous "claims made" coverage.

**STATE ACCEPTANCE.**

All insurance providers are subject to State acceptance. If requested by State, Recipient shall provide complete copies of insurance policies, endorsements, self-insurance documents and related insurance documents to State's representatives responsible for verification of the insurance coverages required under this **Exhibit C**.

## EXHIBIT D

### **Summary of Federal Requirements and Incorporating by Reference Annual List of Certifications and Assurances for FTA Grants and Cooperative Agreements ("Certifications and Assurances") and Federal Transit Administration Master Agreement ("Master Agreement")**

Recipient and Recipient's subrecipient(s), contractor(s), or subcontractor(s), at any tier, if any, must comply with all applicable federal requirements contained in the Certifications and Assurances available at [www.transit.dot.gov](http://www.transit.dot.gov). The Certifications and Assurances, including as they may be changed during the term of this Agreement, are by this reference incorporated herein.

Recipient further agrees to comply with all applicable requirements included in the Master Agreement that is signed and attested to by State. This Master Agreement is incorporated by reference and made part of this Agreement. Said Master Agreement is available upon request from State by calling (503) 986-3300, or at [www.transit.dot.gov](http://www.transit.dot.gov). Without limiting the foregoing, the following is a summary of some requirements applicable to transactions covered by this Agreement and the funds described in Exhibit A:

1. Recipient shall comply with Title VI of the Civil Rights Act of 1964 (78 State 252, 42 U.S.C. § 2000d) and the regulations of the United States Department of Transportation (49 CFR 21, Subtitle A). Recipient shall exclude no person on the grounds of race, religion, color, sex, age, national origin, or disability from the benefits of aid received under this Agreement. Recipient will report to State on at least an annual basis the following information: any active lawsuits or complaints, including dates, summary of allegation, status of lawsuit or complaint including whether the Parties entered into a consent decree.
2. Recipient shall comply with FTA regulations in Title 49 CFR 27 Nondiscrimination on the Basis of Disability in Programs or Activities Receiving Federal Financial Assistance which implements the Rehabilitation Act of 1973, as amended, the Americans with Disabilities Act of 1990, 49 CFR 37, and 49 CFR 38.
3. Recipient shall not discriminate on the basis of race, color, national origin, or sex in the award and performance of any USDOT-assisted contract or in the administration of its DBE program or the requirements of 49 CFR Part 26. Recipient shall take all necessary and reasonable steps under 49 CFR Part 26 to ensure nondiscrimination in the award and administration of USDOT-assisted contracts. Recipient's DBE program, if applicable, as required by 49 CFR part 26 and as approved by USDOT, is incorporated by reference in this agreement. Implementation of this program is a legal obligation and failure to carry out its terms shall be treated as a violation of this agreement. Upon notification to State of its failure to carry out its approved program, the Department may impose sanctions as provided for under part 26 and may, in appropriate cases, refer the matter for enforcement under 18 U.S.C. 1001 and/or the Program Fraud Civil Remedies Act of 1986 (31 U.S.C. 3801 et seq.).
4. Recipient must include the following language in each subagreement Recipient signs with a subcontractor or subrecipient:

*The contractor, subrecipient or subcontractor shall not discriminate on the basis of race, color, national origin, or sex in the performance of this Agreement. The contractor, subrecipient, or subcontractor shall carry out applicable requirements of 49 CFR Part 26 in the award and administration of USDOT-assisted contracts. Failure by the contractor, subrecipient, or subcontractor to carry out these requirements is a material breach of this contract, which may result in the termination of this contract or such other remedy as Recipient deems appropriate.*

5. Recipient and contractors receiving in excess of \$100,000 in federal funds, other than Indian tribes, must certify to State that they have not and will not use federal funds to pay for influencing or attempting to influence an officer or employee of any federal department or Agency, a member of Congress, or an employee of a member of Congress in connection with obtaining any federal grant, cooperative agreement or any other federal award. If non-federal



funds have been used to support lobbying activities in connection with the Project, Recipient shall complete Standard Form LLL, Disclosure Form to Report Lobbying and submit the form to State at the end of each calendar quarter in which there occurs an event that requires disclosure. Restrictions on lobbying do not apply to influencing policy decisions. Examples of prohibited activities include seeking support for a particular application or bid and seeking a congressional earmark.



AGENDA ITEM COVER SHEET
Morrow County Board of Commissioners
(Page 1 of 2)

(For BOC Use)
Item #

Please complete for each agenda item submitted for consideration by the Board of Commissioners
(See notations at bottom of form)

Presenter at BOC:
Department:
Short Title of Agenda Item:
(No acronyms please)

Date submitted to reviewers:
Requested Agenda Date:

This Item Involves: (Check all that apply for this meeting.)
Order or Resolution
Ordinance/Public Hearing:
1st Reading 2nd Reading
Public Comment Anticipated:
Estimated Time:
Document Recording Required
Contract/Agreement
Appointments
Update on Project/Committee
Consent Agenda Eligible
Discussion & Action
Estimated Time:
Purchase Pre-Authorization
Other

N/A
Purchase Pre-Authorizations, Contracts & Agreements
Contractor/Entity:
Contractor/Entity Address:
Effective Dates - From: Through:
Total Contract Amount: Budget Line:
Does the contract amount exceed \$5,000? Yes No

Reviewed By:

Department Director Required for all BOC meetings
Liaison Commissioner Required for all BOC meetings
County Counsel \*Required for all legal documents
Finance Office \*Required for all contracts; other items as appropriate.
Human Resources \*If appropriate

Note: All other entities must sign contracts/agreements before they are presented to the Board of Commissioners (originals preferred). Agendas are published each Friday afternoon, so requests must be received in the BOC Office by 1:00 p.m. on the Friday prior to the Board's Wednesday meeting. Once this form is completed, including County Council, Finance and HR review/sign-off (if appropriate), then submit it to the Board of Commissioners Office.

# AGENDA ITEM COVER SHEET

Morrow County Board of Commissioners

(Page 2 of 2)

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1. ISSUES, BACKGROUND, DISCUSSION AND OPTIONS (IF ANY):

2. FISCAL IMPACT:

3. SUGGESTED ACTION(S)/MOTION(S):

Attach additional background documentation as needed.

Umatilla Elec. Co - Op

**PERMIT SIGN-OFF** Permit #OTJ

Date Submitted: 06/30/2022

Date Approved: \_\_\_\_\_

Applicant Notified: 1st: \_\_\_\_\_ Final: \_\_\_\_\_

**INSPECTION INFORMATION:**

Follow up inspection date: \_\_\_\_\_

\_\_\_\_\_ Approved Signed \_\_\_\_\_

\_\_\_\_\_ Not Approved Reasons \_\_\_\_\_

\_\_\_\_\_ Actions \_\_\_\_\_

Notes/Comments:

Return to:  
**MORROW COUNTY PUBLIC WORKS**  
365 West Highway 74  
P.O. Box 428  
Lexington, Oregon 97839  
Phone: (541) 989-9500

APPLICATION #: OTJ

COUNTY ROAD #: 490

ROAD NAME: Bombing Range Road

**Applicant Mailing Address**  
Umatilla Electric Cooperative Attn: Patrick Collins  
Name (Business Name, Attn: Name)  
P.O. Box 1148, 750 W Elm Ave  
Mailing Address (Street/Post Office Box)  
Hermiston, OR, 97838  
City, State, Zip Code  
541-289-1583 ext. 583  
Phone Number

APPLICATION FEE:  
(CHECK ONE)  
 Private (\$50.00)     Utility Company (No Fee)

PAYMENT RECEIVED:  
06/30/2022 - \$0 - [Signature]  
(Date Payment Received - Amount Received - Initials)

**APPLICATION FOR NECESSITY TO BUILD ON RIGHT OF WAY  
(Water, Gas, Communication Service Lines, Fixtures, Signs, and other Facilities)**

*Please fill out this form completely in ink (Blue or Black) or type.*

We, Umatilla Electric Cooperative, 750 W. Elm, Hermiston, OR, 97838  
(Name - Individual/Business) (Physical Address) (Work Order Number)  
hereby request permission either to locate within County Road right of way or cross  
Morrow County road Bombing Range Rd at 0.45 miles from nearest  
(Name of County Road) (Miles)  
interstecation with road Wilson Ln SE 24 & (18) 04N 25E & (26E)  
(Name of County Road) (Section) (Township) (Range)  
E.W.M. with a Electric Transmission Line of 230kV, Center Line \_\_\_\_\_ distance  
(Water, Gas, Telephone Lines, ect.) (Dimensions) (Distance)  
from R/W line NA depth of line or pipe, E to W X side of road.  
(Depth) (Note N, S, E, W)

As more particularly described by the attached sketch.

**PERMITTEE AGREES TO TERMS AND CONDITIONS ON THE ATTACHED TWO PAGES**

Page 1 PC Page 2 PC  
(Initial) (Initial)

Additional Terms and Conditions to be noted here.

When work is completed call Morrow County Public Works Office for final inspection at (541) 989-9500.

PERMITTEE SIGNATURE: [Signature] DATE: 6/30/22  
(Signature of Authorized Permittee) (Date Signed)

State of OREGON  
County of UMATILLA  
This instrument was acknowledged before me on 6-30, 20 22  
by [Signature]  
Notary Public - State of OREGON

OFFICIAL STAMP  
CONNIE LEE KRAEGBRINK  
NOTARY PUBLIC - OREGON  
COMMISSION NO. 1023784  
MY COMMISSION EXPIRES APRIL 21, 2026

Denied permit application may be appealed to the Morrow County Board of Commissioners

RECOMMENDED BY: \_\_\_\_\_ DATE: \_\_\_\_\_  
(Assistant Road Master) (Date Signed)

APPROVED BY: \_\_\_\_\_ DATE: \_\_\_\_\_  
(Public Works Director) (Date Signed)

ATTEST: \_\_\_\_\_  
(Morrow County Clerk)

**PERMITTEE AGREES TO THE FOLLOWING TERMS AND CONDITIONS:**

**SPECIFICATIONS:**

1. A notice of ten (10) days from request to issuance of permit will be required in order for the Department of Public Works to inspect and approve desired project.
2. Two (2) sets of plans for approval by the Director of Public Works or their representative will be submitted with request for permit.
3. Upon granting of this permit the applicant hereby agrees to install necessary installations in the following manner:

**ROAD CROSSING:**

Unless written permission is first obtained from the Director to open cut; pipeline or conduit which crosses under the surfaced portion of the road shall either be tunneled, jacked, driven, or placed in a hole bored under the surface for that purpose with following provisions:

- A. All installations will be a minimum of four (4) feet from the surface of the road to top on installation.
- B. Trenching in connection with any of these methods shall be no nearer top of the fill slope in fill sections or the point where the outer edges of the surfacing meets the subgrade in other sections, than two (2) feet.
- C. If the tunneling method is used, it shall be by an approved method, which supports the surrounding materials so as to prevent caving or settlement.
- D. The backfilling around the installed pipe or conduit of all trenches and tunnels must be accomplished immediately after the facility authorized by the permit has been placed therein and must be well tamped with mechanical tampers or other approved devices so as to allow the least possible amount of subsequent settlement.
  1. All trenches will be backfilled and mechanically tamped to a depth of two (2) feet below surface of road. The remaining depth will be backfilled with  $\frac{3}{4}$ " – 0" rock tamped in six (6) inch layers to a depth of three (3) inches below road surface. Remaining depth to be filled with blacktop properly installed.
  2. Where original surface was crushed rock or gravel, wearing surface and foundation either 1" – 0" or  $\frac{3}{4}$ " – 0" aggregate placed to a total compacted thickness of four (4) inches or the thickness of the removed stone base and wearing surface, whichever is greater.
- E. Special Consideration – Pipelines
  1. The minimum depth to the top of the pipe forty-eight (48) inches from the ground line or top of wearing surface and thirty (30) inches from bottom of the road drainage ditch line is required and these distances should be increased when warranted by conditions such as possible increases in ditch depths from scouring or road maintenance, clearance of existing drainage structures or other utilities, code requirements, ect. All pipelines shall be located under drainage structures or other utilities, code requirements, ect. All pipelines shall be located under drainage structures or under drainage ways, unless authorized otherwise in special provisions, except those pipelines may be attached to bridges at locations specified by the Director.
  2. Where a buried crossing is sought, to expedite insertion, removal or replacement of carrier pipes, or protect carrier pipes from external pads or shock, and carry leaking fluids or gases away from the roadway. It is required to place pressure pipelines crossing or paralleling County roads in conduit or casing pipe. Exceptions may be made for coated and/or cathodic protected steel pipe placed by the trenching method, ductile iron pipe and other durable type pipe having a long term life expectancy, leak proof joints and capable of withstanding the external loads applied through the use of the roadways. Coated pipe placed by the boring or jacking method should be placed in a casing pipe unless the coating is of a type resistant to abrasions.

**ADJACENT TO ROADWAY:**

- A. All installations shall be buried at a depth of four (4) feet from top of the roadway to top of installation. Said installation shall be outside the traveled surface.
- B. If said installation is installed in shoulder of road, backfill will be suitable to Director of Public Works or his representative. Backfill will be mechanically tamped to a depth of one (1) foot below surface of road and remaining depth to be  $\frac{3}{4}$ " – 0" rock.

Permit # 075

## TRAFFIC

- A. Applicant must maintain and protect the movement of traffic at all times.
- B. In trenching across the County road, no more than one half of the traveled way is to be opened at one time. The opened half shall be completely backfilled before opening the other half, or provision for a bypass or "shoofly" road must be made.
- C. Closure of intersecting streets, road approaches, or other access points will not be permitted. Upon trenching across such facilities, steel-running plates, planks or other satisfactory methods shall be used to provide for traffic to enter or leave the highway or adjacent property.

## INSURANCE

- A. Permittee must carry all necessary liability to protect the public at all times.

## REPAIRS

- A. All roadbed surfaces disturbed by utility installations, adjustments or repairs covered by permit, will be repaired or replaced within one (1) week, except specifically allowed for by special provisions listed in the permit.
- B. All roadbed surfaces disturbed by utility installations, adjustments or repairs covered by permit that result in hazards to the traveling public will be either replaced or repaired immediately or adequately barricaded and signed to warn the public that a hazard exists.
- C. Any replacement or repair not accomplished by the applicant under the above, within the specified time will be done by the County with no prior notice to the applicant and at the expense of the applicant. The County will also make any immediate repairs, alterations or additions to any barricading, signing or warning for a hazardous area when such barricading, signing or warning is found to be inadequate, inappropriate, or ineffective without prior notice to the applicant.
- D. For a period of one (1) year following the patching of any paved surface, the applicant shall be responsible for the condition of said pavement patches, and during that time shall, upon request from the Director, repair to the County's satisfaction any of the said patches which become settled, cracked, broken or otherwise faulty.
- E. The repair or maintenance of said installation shall be the responsibility of the applicant at all times. The applicant will complete any necessary repairs not more than forty-eight (48) hours after notification by Department of Public Works.

## REMOVEAL, RELOCATION AND REPAIR

The permit is issued pursuant to the law of the State of Oregon which authorizes the Board to subsequently require the applicant to remove, relocate or repair the poleline, buried cable, or pipeline covered by the permit as needed by the County to replace, repair, or maintain County roads, at that sole cost of the applicant and by applying applicant consents and agrees to such conditions.

Upon receiving written notice from the Board to remove, relocate or repair the said poleline, buried cable or pipeline, the applicant shall within the thirty (30) days make arrangements for removal, relocation or repair of same, at his sole cost, in accordance's with said written notice.

If the applicant fails to commence installation of the poleline, buried cable, or pipeline covered by the permit within sixty (60) days from the date the permit is issued, said permit shall be deemed null and void and all privileges there under forfeited, unless a written extension of time is obtained from the Director.

 Permit # OTJ

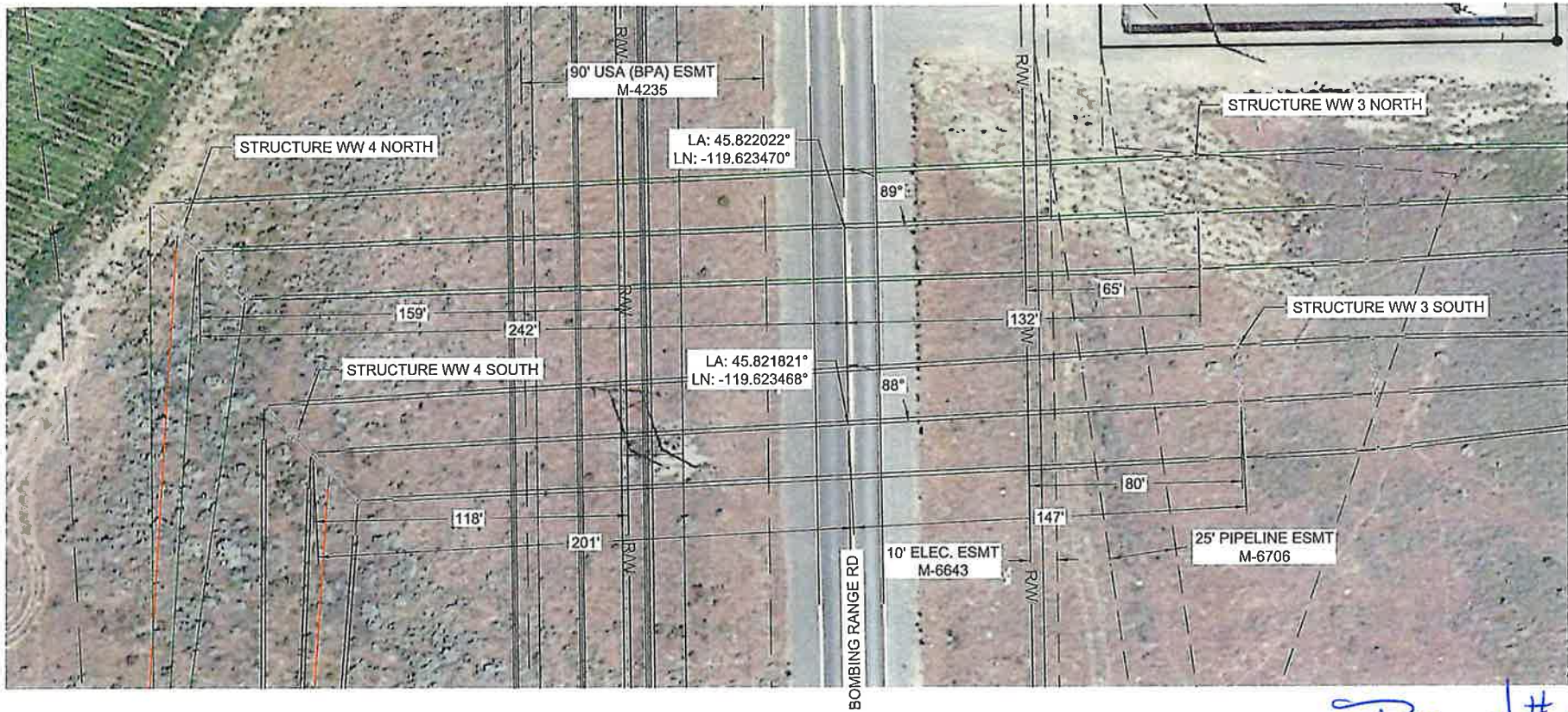




**BASIS OF BEARING**  
 OREGON STATE PLANE  
 NAD 83 NORTH ZONE

0 20 40

NOTE: DRAWING REPRODUCTION  
 AND SCALING MAY CHANGE THE  
 INDICATED GRAPHIC SCALES  
 H. SCALE: 1" = 40'



*Permit # OTJ*

DATE	REVISION	#	PROJECT
06/22/22	ISSUED FOR REFERENCE	0	WAGON WHEEL TRANSMISSION
			LOCATION: LA: 45.8219331°, LN: -119.6252667°, MORGAN COUNTY, OR
			CLIENT: UMATILLA ELECTRIC COOPERATIVE HERMISTON, OREGON OREGON-14-UMATILLA
			TITLE: CROSSINGS BOMBING RANGE ROAD PLAN VIEW
			SHEET NO.: 1 OF 2

**TO TH**  
 ASSOCIATES  
 1500 E. REPUBLIC ROAD  
 SPRINGFIELD, MO 65804  
 PH: 417-428-0643 FAX: 417-528-0657  
 www.tothassociates.com  
 CERTIFICATE OF AUTHORITY  
 ORS 679.010  
 © 2022 Toth and Associates, Inc.

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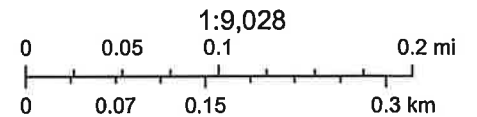
# UEC Transmission Line



4/26/2022, 2:27:48 PM

 taxlot  mapIndex  CountyLines

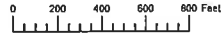
*Permit # OTJ*



Source: Esri, Maxar, GeoEye, Earthstar Geographics, CNES/Airbus DS, USDA, USGS, AeroGRID, IGN, and the GIS User Community, OREGON

Web AppBuilder for ArcGIS  
Maxar | OREGON DOR, GEO |

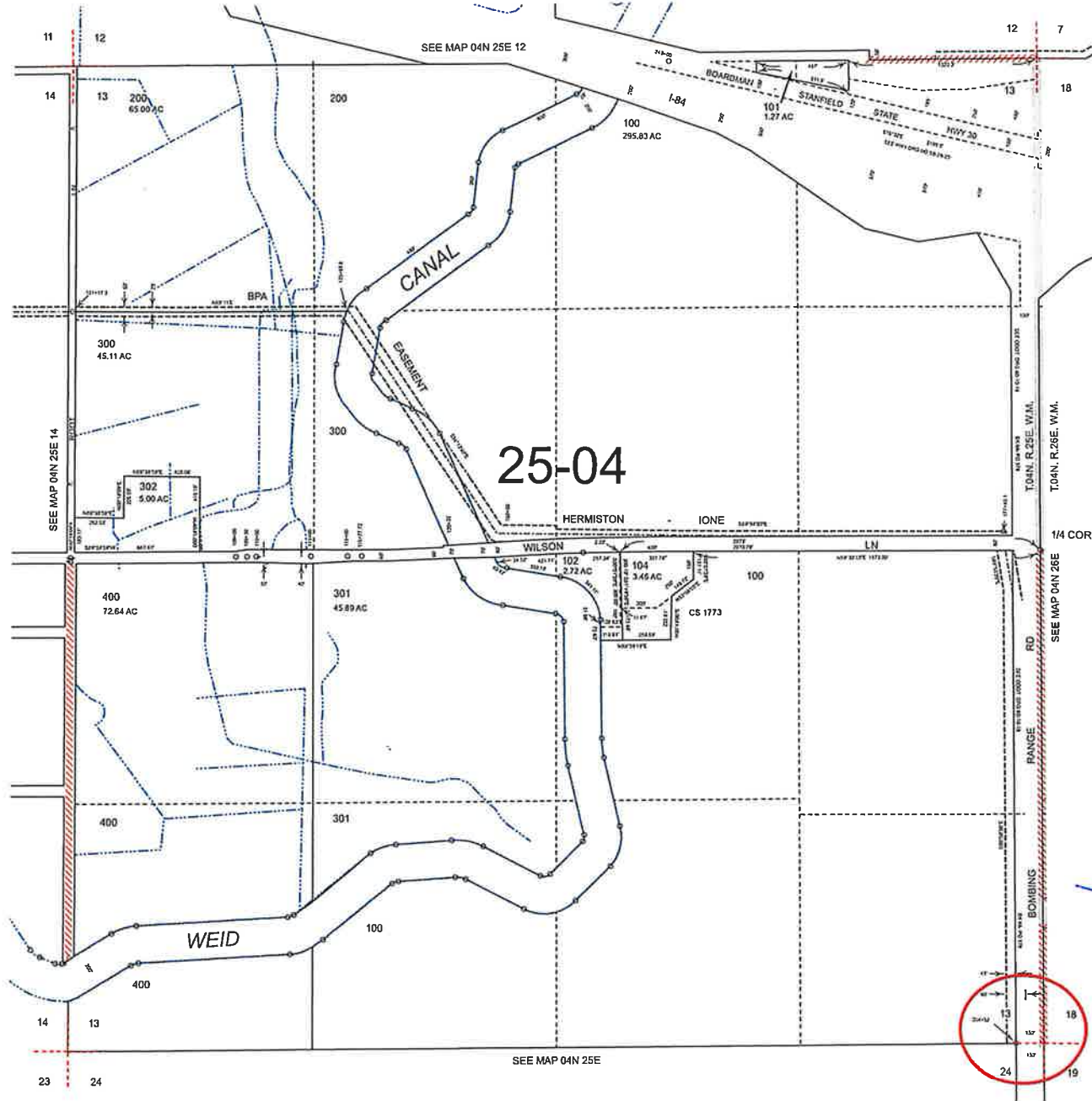
THIS MAP WAS PREPARED FOR  
ASSESSMENT PURPOSE ONLY



SECTION 13 T.4N. R.25E. W.M.  
MORROW COUNTY  
1" = 400'

04N25E13

Cancelled  
103



25-04

Permit #  
OTJ

Revised: EB  
09/23/2021

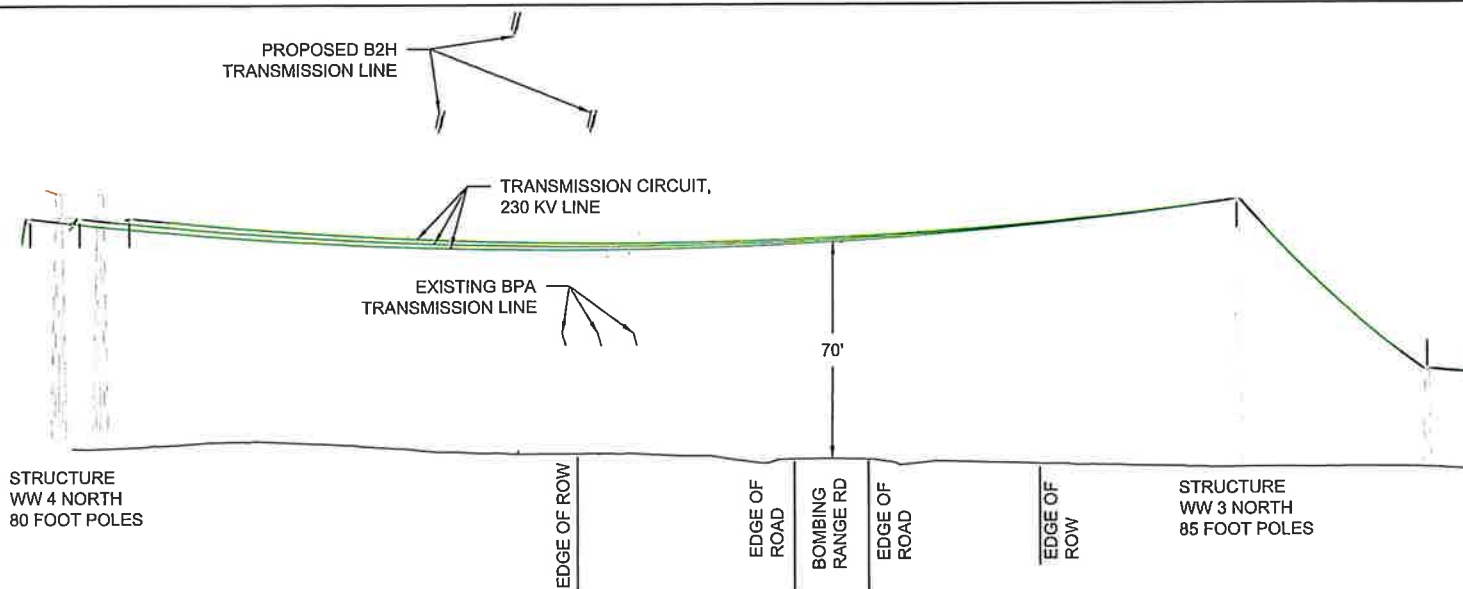
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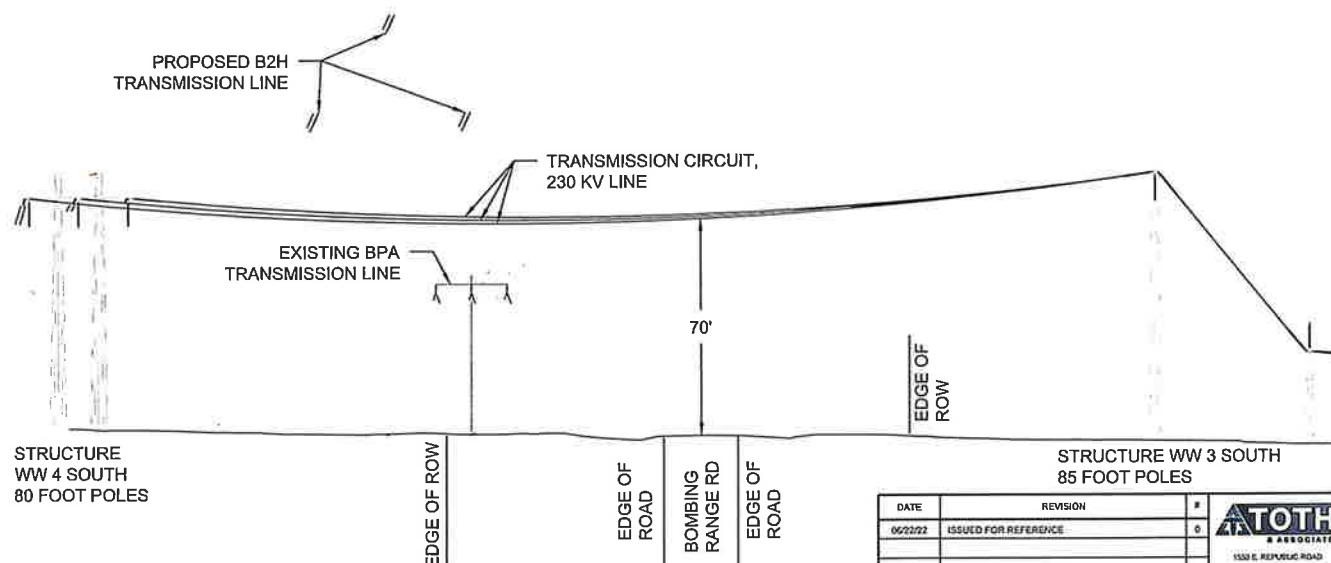
**BASIS OF BEARING**  
 OREGON STATE PLANE  
 NAD 83 NORTH ZONE

0 20 40

NOTE: DRAWING REPRODUCTION  
 AND SCALING MAY CHANGE THE  
 INDICATED GRAPHIC SCALES  
 H. SCALE: 1" = 40'



**NORTH CROSSING**



**SOUTH CROSSING**

*Permit # OTJ*

DATE	REVISION	#	DATE	PROJECT
06/22/22	ISSUED FOR REFERENCE	0	DAW	WAGON WHEEL TRANSMISSION
			ERP	LOCATION: LA: 45 5279331', L/E: -119 5832560', ANDERSON COUNTY, OR
			WFV	CLIENT: UMATILLA ELECTRIC COOPERATIVE HERMISTON, OREGON OREGON-14-UMATILLA
			05/03/22	TITLE: CROSSINGS BOMBING RANGE ROAD PLAN VIEW
				DWT NO: 2 OF 2

**ATO**  
 ASSOCIATES

1530 E. REPUBLIC ROAD  
 SPRINGFIELD, MO 65804  
 Ph: 417-838-6648 Fax: 417-838-6583  
 www.atoassociates.com

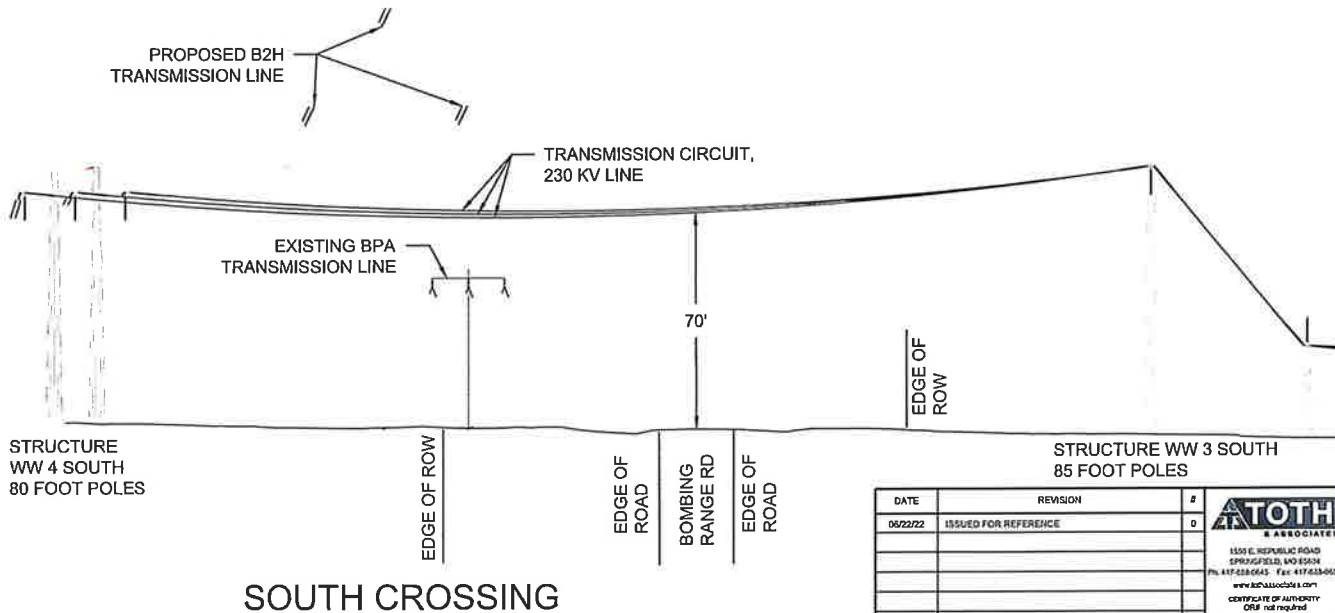
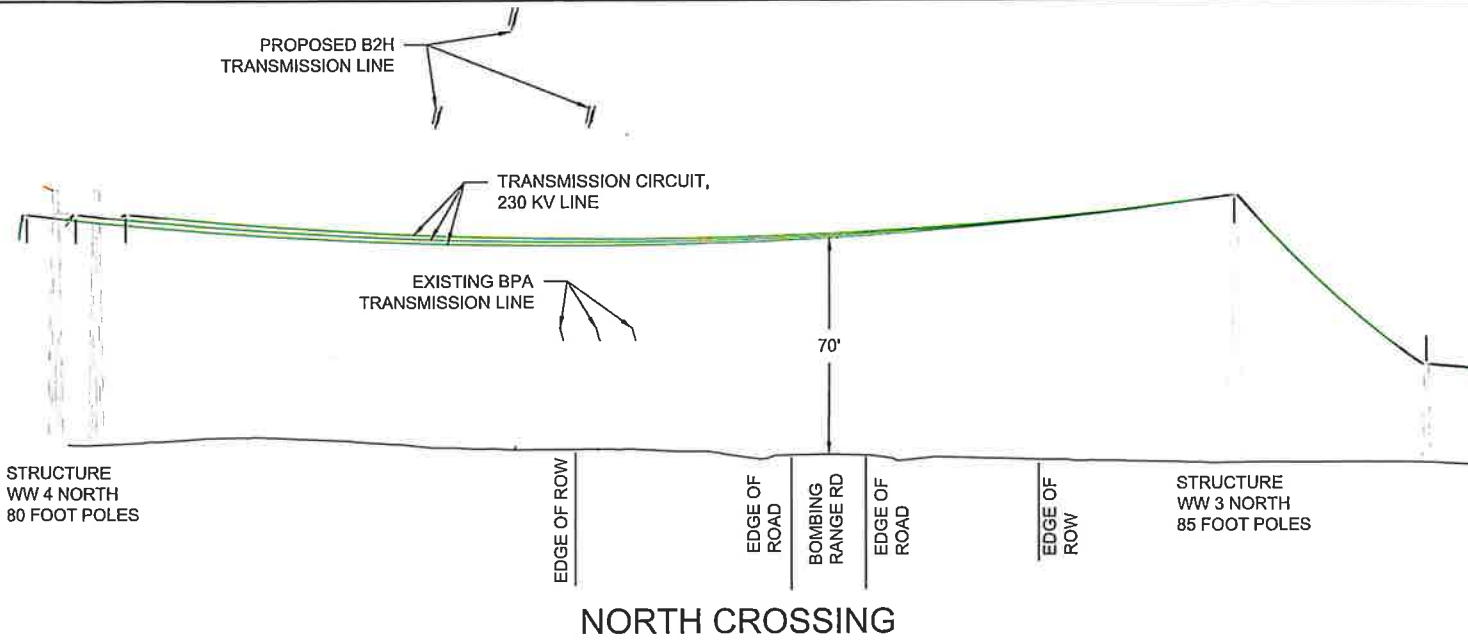
CERTIFICATE OF AUTHORITY  
 DR# not required  
 © 2022 Toth and Associates, Inc.



**BASIS OF BEARING**  
 OREGON STATE PLANE  
 NAD 83 NORTH ZONE

0 20 40

NOTE: DRAWING REPRODUCTION  
 AND SCALING MAY CHANGE THE  
 INDICATED GRAPHIC SCALES  
 H. SCALE: 1" = 40'



*Permit # OTJ*

DATE	REVISION	#
05/23/22	ISSUED FOR REFERENCE	0



1551 E. REPUBLIC ROAD  
 SEASIDE, OREGON 97138  
 Ph: 417-638-0645 Fax: 417-633-0551  
 www.atoth.com  
 CERTIFICATE OF AUTHORITY  
 OR# not required  
 © 2022 Tyn and Associates, P.C.

PROJECT	WAGON WHEEL TRANSMISSION	
LOCATION	LA: 45.8279331° LRF: 119.6812660° MORROW COUNTY, OR	
CLIENT	UMATILLA ELECTRIC COOPERATIVE HERMISTON, OREGON OREGON-14-UMATILLA	
DATE	CROSSINGS BOMBING RANGE ROAD PLAN VIEW	SHEET NO. 2 OF 2

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# AGENDA ITEM COVER SHEET

## Morrow County Board of Commissioners

(Page 1 of 2)

(For BOC Use)  
Item #

**Please complete for each agenda item submitted for consideration by the Board of Commissioners  
(See notations at bottom of form)**

Presenter at BOC: Ann Jones  
 Department: Fair  
 Short Title of Agenda Item: HB5202 Grant Agreement  
 (No acronyms please)

Date submitted to reviewers: 7/7/22  
 Requested Agenda Date: 7/13/22

**This Item Involves: (Check all that apply for this meeting.)**

<input type="checkbox"/> Order or Resolution	<input type="checkbox"/> Appointments
<input type="checkbox"/> Ordinance/Public Hearing:	<input type="checkbox"/> Update on Project/Committee
<input type="checkbox"/> 1st Reading <input type="checkbox"/> 2nd Reading	<input type="checkbox"/> Consent Agenda Eligible
<input type="checkbox"/> Public Comment Anticipated:	<input type="checkbox"/> Discussion & Action
Estimated Time:	Estimated Time:
<input type="checkbox"/> Document Recording Required	<input type="checkbox"/> Purchase Pre-Authorization
<input checked="" type="checkbox"/> Contract/Agreement	<input type="checkbox"/> Other

N/A                                      Purchase Pre-Authorizations, Contracts & Agreements

Contractor/Entity: State of Oregon Department of Administrative Services

Contractor/Entity Address:

Effective Dates – From:                                      Through:

Total Contract Amount: 1,000,000.00                                      Budget Line:

Does the contract amount exceed \$5,000?     Yes     No

Reviewed By:

<u>Ann Jones</u>	<u>7/7/22</u> <small>DATE</small>	Department Director	Required for all BOC meetings
_____	_____ <small>DATE</small>	Administrator	Required for all BOC meetings
_____	_____ <small>DATE</small>	County Counsel	*Required for all legal documents
_____	_____ <small>DATE</small>	Finance Office	*Required for all contracts; other items as appropriate.
_____	_____ <small>DATE</small>	Human Resources	*If appropriate

\*Allow 1 week for review (submit to all simultaneously). When each office has notified the submitting department of approval, then submit the request to the BOC for placement on the agenda.

**Note:** All other entities must sign contracts/agreements before they are presented to the Board of Commissioners (originals preferred). Agendas are published each Friday afternoon, so requests must be received in the BOC Office by 1:00 p.m. on the Friday prior to the Board's Wednesday meeting. Once this form is completed, including County Counsel, Finance and HR review/sign-off (if appropriate), then submit it to the Board of Commissioners Office.

**AGENDA ITEM COVER SHEET**  
**Morrow County Board of Commissioners**  
**(Page 2 of 2)**

---

**1. ISSUES, BACKGROUND, DISCUSSION AND OPTIONS (IF ANY):**

HB5202 (2022 Regular Session) General Fund Account

Pursuant to the Oregon Laws 2022, chapter 110, section 425 (26) (the "Authorization"), the Oregon Legislature appropriated \$1,000,000 from the General Fund for a grant to Recipient for fairgrounds infrastructure and with the help of Representative Smith the Morrow County Fair was chosen as one the county fairs to receive these funds.

**2. FISCAL IMPACT:**

\$1,000,000

**3. SUGGESTED ACTION(S)/MOTION(S):**

The Morrow County Fair needs to have the agreement sign by a fair signatory. So the agreement can move forward to the next steps for finalization.

Attach additional background documentation as needed.



## GRANT AGREEMENT

Title: House Bill 5202 (2022 Regular Session) General Fund Grant

Agreement Number: 107-2022-5202-93

This grant agreement (“Contract”), dated as of the date the Contract is fully executed, is made by the State of Oregon, acting by and through its Department of Administrative Services (“DAS” or “State”), and Morrow County (“Recipient”). This Contract becomes effective only when fully signed and approved as required by applicable law (the “Effective Date”) and, unless earlier terminated, expires on June 30, 2023 (the “Expiration Date”). The period from the Effective Date through the Expiration Date is hereinafter referred to as the “Grant Term.” **Certain terms of the Contract survive its termination or expiration as set forth in Section 8.K below.**

Pursuant to the Oregon Laws 2022, chapter 110, section 425 (26) (the “Authorization”), the Oregon Legislature appropriated \$1,000,000 from the General Fund for a grant to Recipient for fairgrounds infrastructure.

### SECTION 1 – GRANT

DAS shall provide Recipient, and Recipient shall accept from DAS, a grant (the “Grant”) in the amount of \$1,000,000.

Conditions Precedent. DAS’s obligations are subject to the receipt of the following items, in form and substance satisfactory to DAS and its counsel:

- (1) This Contract duly signed by an authorized officer of Recipient; and
- (2) Such other certificates, documents, opinions, and information as DAS may reasonably require.

### SECTION 2 – DISBURSEMENT

- A. Full Disbursement. Upon satisfaction of all conditions precedent, DAS shall disburse the full Grant to Recipient.
- B. Condition to Disbursement. DAS has no obligation to disburse funds unless, in the reasonable exercise of its administrative discretion, it has sufficient funding, appropriations, limitations, allotments and other expenditure authority to make the disbursement.

### SECTION 3 - USE OF GRANT

- A. Use of Grant Moneys. Recipient shall use the Grant for fairgrounds infrastructure.
- B. Costs Paid for by Others. Recipient may not use any of the Grant to cover costs to be paid for by another State of Oregon agency or any third party.

### SECTION 4 - REPRESENTATIONS AND WARRANTIES OF RECIPIENT

Recipient represents and warrants to DAS:

- A. Organization and Authority.
  - (1) Recipient is a county validly organized and existing under the laws of the State of Oregon.

- (2) Recipient has all necessary right, power and authority under its organizational documents and under Oregon law to (a) execute and deliver this Contract, (b) incur and perform its obligations under this Contract, and (c) receive the Grant funds.
  - (3) This Contract has been authorized by an ordinance, order or resolution of Recipient's governing body.
  - (4) This Contract has been duly executed by Recipient, and when executed by DAS, is legal, valid and binding, and enforceable in accordance with their terms.
- B. Full Disclosure. Recipient has disclosed in writing to DAS all facts that materially adversely affect its ability to perform all obligations required by this Contract. Recipient has made no false statements of fact, nor has it omitted information necessary to prevent any statements from being misleading. The information contained in this Contract is true and accurate in all respects.
- C. Pending Litigation. Recipient has disclosed in writing to DAS all proceedings pending (or to the knowledge of Recipient, threatened) against or affecting Recipient, in any court or before any governmental authority or arbitration board or tribunal, that, if adversely determined, would materially adversely affect the ability of Recipient to perform all obligations required by this Contract.
- D. No Defaults. No Defaults or Events of Default exist or occur upon authorization, execution or delivery of this Contract.
- E. Compliance with Existing Agreements and Applicable Law. The authorization and execution of, and the performance of all obligations required by, this Contract will not: (i) cause a breach of any agreement or instrument to which Recipient is a party; (ii) violate any provision of the charter or other document pursuant to which Recipient was organized or established; or (iii) violate any laws, regulations, ordinances, resolutions, or court orders related to Recipient or its properties or operations.

<b>SECTION 5 - COVENANTS OF RECIPIENT</b>
---

Recipient covenants as follows:

- A. Notice of Adverse Change. Recipient shall promptly notify DAS of any adverse change in the activities, prospects or condition (financial or otherwise) of Recipient related to the ability of Recipient to perform all obligations required by this Contract.
- B. Compliance with Laws. Recipient shall comply with all applicable laws, rules, regulations and orders of any court or governmental authority that relate to this Contract and Recipient's use of the Grant funds.
- C. Annual Progress Reports. Recipient must submit to DAS annual progress reports (each a "Progress Report") until Grant funds are fully expended. A Progress Report is due one year from distribution of funding and thereafter annually until the Grant funds are fully expended. Each Progress Report shall contain a brief narrative and financial report on the total use of Grant funds. The narrative and financial report should include, but need not be limited to, the following information:
  - (1) Brief description of the Project and use of Grant funds to date;
  - (2) Timeline for major Project deliverables;
  - (3) Grant funds spent to date; and
  - (4) Project milestones met to date.

- D. Books and Records. Recipient shall keep accurate books and records of the uses of the Grant and maintain them according to generally accepted accounting principles.
- E. Inspections; Information. Recipient shall permit DAS and any party designated by DAS to inspect and make copies, at any reasonable time, of any accounts, books and records, including, without limitation, its records regarding receipts, disbursements, contracts, investments and any other related matters. Recipient shall supply any related reports and information as DAS may reasonably require.
- F. Records Maintenance. Recipient shall retain and keep accessible all books, documents, papers, and records that are directly related to this Contract for a minimum of six years beyond the later of the final and total expenditure or disposition of the Grant. If there are unresolved issues at the end of such period, Recipient shall retain the books, documents, papers and records until the issues are resolved.
- G. Notice of Default. Recipient shall give DAS prompt written notice of any Default as soon as any senior administrative or financial officer of Recipient becomes aware of its existence or reasonably believes a Default is likely.
- H. Contribution.
- 1) If any third party makes any claim or brings any action, suit or proceeding alleging a tort as now or hereafter defined in ORS 30.260 ("Third Party Claim") against State or Recipient with respect to which the other Party may have liability, the notified Party must promptly notify the other Party in writing of the Third Party Claim and deliver to the other Party a copy of the claim, process, and all legal pleadings with respect to the Third Party Claim. Each Party is entitled to participate in the defense of a Third Party Claim, and to defend a Third Party Claim with counsel of its own choosing. Receipt by a Party of the notice and copies required in this paragraph and meaningful opportunity for the Party to participate in the investigation, defense and settlement of the Third Party Claim with counsel of its own choosing are conditions precedent to that Party's liability with respect to the Third Party Claim.
  - 2) With respect to a Third Party Claim for which State is jointly liable with Recipient (or would be if joined in the Third Party Claim ), State shall contribute to the amount of expenses (including attorneys' fees), judgments, fines and amounts paid in settlement actually and reasonably incurred and paid or payable by Recipient in such proportion as is appropriate to reflect the relative fault of the State on the one hand and of the Recipient on the other hand in connection with the events which resulted in such expenses, judgments, fines or settlement amounts, as well as any other relevant equitable considerations. The relative fault of State on the one hand and of Recipient on the other hand shall be determined by reference to, among other things, the Parties' relative intent, knowledge, access to information and opportunity to correct or prevent the circumstances resulting in such expenses, judgments, fines or settlement amounts. State's contribution amount in any instance is capped to the same extent it would have been capped under Oregon law, including the Oregon Tort Claims Act, ORS 30.260 to 30.300, if State had sole liability in the proceeding.
  - 3) With respect to a Third Party Claim for which Recipient is jointly liable with State (or would be if joined in the Third Party Claim), Recipient shall contribute to the amount of expenses (including attorneys' fees), judgments, fines and amounts paid in settlement actually and reasonably incurred and paid or payable by State in such proportion as is appropriate to reflect the relative fault of Recipient on the one hand and of State on the other hand in connection with the events which resulted in such expenses, judgments, fines or settlement amounts, as well as any other relevant equitable considerations. The relative fault of Recipient on the one

hand and of State on the other hand shall be determined by reference to, among other things, the Parties' relative intent, knowledge, access to information and opportunity to correct or prevent the circumstances resulting in such expenses, judgments, fines or settlement amounts. Recipient's contribution amount in any instance is capped to the same extent it would have been capped under Oregon law, including the Oregon Tort Claims Act, ORS 30.260 to 30.300, if it had sole liability in the proceeding.

## SECTION 6 - DEFAULTS

Any of the following constitutes an "Event of Default":

- A. Any false or misleading representation is made by or on behalf of Recipient, in this Contract or in any document provided by Recipient related to this Grant.
- B. Recipient fails to perform any obligation required under this Contract, other than those referred to in subsection A of this section 6, and that failure continues for a period of 10 business days after written notice specifying such failure is given to Recipient by DAS. DAS may agree in writing to an extension of time if it determines Recipient instituted and has diligently pursued corrective action.

## SECTION 7 - REMEDIES

- A. Remedies. Upon any Event of Default, DAS may pursue any or all remedies in this Contract and any other remedies available at law or in equity to enforce the performance of any obligation of Recipient. Remedies may include, but are not limited to any one or more of the following:
  - (1) Terminating DAS's commitment and obligation to make the Grant.
  - (2) Barring Recipient from applying for future awards.
  - (3) Withholding amounts otherwise due to Recipient for application to the payment of amounts due under this Contract.
  - (4) Requiring repayment of the Grant and all interest earned by Recipient on those Grant funds.
- B. Application of Moneys. Any moneys collected by DAS pursuant to section 7.A will be applied first, to pay any attorneys' fees and other fees and expenses incurred by DAS; then, as applicable, to repay any Grant proceeds owed; then, to pay other amounts due and payable under this Contract, if any.
- C. No Remedy Exclusive; Waiver; Notice. No remedy available to DAS is intended to be exclusive, and every remedy will be in addition to every other remedy. No delay or omission to exercise any right or remedy will impair or is to be construed as a waiver of such right or remedy. No single or partial exercise of any right power or privilege under this Contract will preclude any other or further exercise thereof or the exercise of any other such right, power or privilege. DAS is not required to provide any notice in order to exercise any right or remedy, other than notice required in section 7 of this Contract.

**SECTION 8 - MISCELLANEOUS**

- A. Time is of the Essence. Recipient agrees that time is of the essence under this Contract.
- B. Relationship of Parties; Successors and Assigns; No Third-Party Beneficiaries.
- (1) The parties agree that their relationship is that of independent contracting parties and that Recipient is not an officer, employee, or agent of the State of Oregon as those terms are used in ORS 30.265.
  - (2) Nothing in this Contract gives, or is to be construed to give, directly or indirectly, to any third persons any rights and benefits greater than those enjoyed by the general public.
  - (3) This Contract will be binding upon and inure to the benefit of DAS, Recipient, and their respective successors and permitted assigns.
  - (4) Recipient may not assign or transfer any of its rights or obligations or any interest in this Contract without the prior written consent of DAS. DAS may grant, withhold or impose conditions on such consent in its sole discretion. In the event of an assignment, Recipient shall pay, or cause to be paid to DAS, any fees or costs incurred because of such assignment, including but not limited to attorneys' fees of DAS's counsel. Any approved assignment is not to be construed as creating any obligation of DAS beyond those in this Contract, nor does assignment relieve Recipient of any of its duties or obligations under this Contract. For the avoidance of doubt, nothing in this Section 8.B(4) prevents Recipient from distributing Grant funds to contractors or subgrantees for the Project purposes described in Section 3.A.
- C. Disclaimer of Warranties; Limitation of Liability. Recipient agrees that:
- (1) DAS makes no warranty or representation.
  - (2) In no event are DAS or its agents liable or responsible for any direct, indirect, incidental, special, consequential or punitive damages in connection with or arising out of this Contract.
- D. Notices and Communication. Except as otherwise expressly provided in this Contract, any communication between the parties or notices required or permitted must be given in writing by personal delivery, email, or by mailing the same, postage prepaid, to Recipient or DAS at the addresses set forth below, or to such other persons or addresses that either party may subsequently indicate pursuant to this Section.

Any communication or notice by personal delivery will be deemed effective when actually delivered to the addressee. Any communication or notice so addressed and mailed will be deemed to be received and effective five (5) days after mailing. Any communication or notice given by email becomes effective 1) upon the sender's receipt of confirmation generated by the recipient's email system that the notice has been received by the recipient's email system or 2) the recipient's confirmation of receipt, whichever is earlier. Notwithstanding this provision, the following notices may not be given by email: notice of default or notice of termination.

If to DAS: Oregon Department of Administrative Services  
ATTN: Kate Nass, Deputy Chief Financial Officer  
155 Cottage St. NE  
Salem OR 97301  
[kate.nass@oregon.gov](mailto:kate.nass@oregon.gov)

If to Recipient: Morrow County  
ATTN: Melissa Lindsay, Commissioner  
P.O. Box 464  
Heppner, OR 97836  
[mlindsay@co.morrow.or.us](mailto:mlindsay@co.morrow.or.us)

- E. No Construction against Drafter. This Contract is to be construed as if the parties drafted it jointly.
- F. Severability. If any term or condition of this Contract is declared by a court of competent jurisdiction as illegal, invalid or unenforceable, that holding will not invalidate or otherwise affect any other provision.
- G. Amendments, Waivers. This Contract may not be amended without the prior written consent of DAS (and when required, the Department of Justice) and Recipient. This Contract may not be amended in a manner that is not in compliance with the Authorization. No waiver or consent is effective unless in writing and signed by the party against whom such waiver or consent is sought to be enforced. Such waiver or consent will be effective only in the specific instance and for the specific purpose given.
- H. Attorneys' Fees and Other Expenses. To the extent permitted by the Oregon Constitution and the Oregon Tort Claims Act, the prevailing party in any dispute arising from this Contract is entitled to recover its reasonable attorneys' fees and costs at trial and on appeal. Reasonable attorneys' fees cannot exceed the rate charged to DAS by its attorneys.
- I. Choice of Law; Designation of Forum; Federal Forum. The laws of the State of Oregon (without giving effect to its conflicts of law principles) govern all matters arising out of or relating to this Contract, including, without limitation, its validity, interpretation, construction, performance, and enforcement.
- Any party bringing a legal action or proceeding against any other party arising out of or relating to this Contract shall bring the legal action or proceeding in the Circuit Court of the State of Oregon for Marion County (unless Oregon law requires that it be brought and conducted in another county). Each party hereby consents to the exclusive jurisdiction of such court, waives any objection to venue, and waives any claim that such forum is an inconvenient forum.
- Notwithstanding the prior paragraph, if a claim must be brought in a federal forum, then it must be brought and adjudicated solely and exclusively within the United States District Court for the District of Oregon. This paragraph applies to a claim brought against the State of Oregon only to the extent Congress has appropriately abrogated the State of Oregon's sovereign immunity and is not consent by the State of Oregon to be sued in federal court. This paragraph is also not a waiver by the State of Oregon of any form of defense or immunity, including but not limited to sovereign immunity and immunity based on the Eleventh Amendment to the Constitution of the United States.
- J. Integration. This Contract (including all exhibits, schedules or attachments, if any) constitutes the entire agreement between the parties on the subject matter. There are no unspecified understandings, agreements or representations, oral or written, regarding this Contract.
- K. Survival. The following provisions survive expiration or termination of this Contract: Sections 5.C., 5.E., 5.F., 5.H., 6, 7, 8.H., 8.I and 8.K.
- L. Execution in Counterparts. This Contract may be signed in several counterparts, each of which is an original and all of which constitute one and the same instrument.

Recipient, by its signature below, acknowledges that it has read this Contract, understands it, and agrees to be bound by its terms and conditions.

**STATE OF OREGON**  
acting by and through its  
Department of Administrative Services

**RECIPIENT**  
Morrow County

By: \_\_\_\_\_

By: \_\_\_\_\_

Date: \_\_\_\_\_

Date: \_\_\_\_\_

**APPROVED AS TO LEGAL SUFFICIENCY IN ACCORDANCE WITH ORS 291.047:**

David Berryman, Assistant Attorney General, via email dated 6/14/2022



# Request for Taxpayer Identification Number and Certification

**Give Form to the requester. Do not send to the IRS.**

▶ Go to [www.irs.gov/FormW9](http://www.irs.gov/FormW9) for instructions and the latest information.

Print or type. See Specific Instructions on page 3.	<p><b>1</b> Name (as shown on your income tax return). Name is required on this line; do not leave this line blank.</p> <hr/> <p><b>2</b> Business name/disregarded entity name, if different from above</p> <hr/> <p><b>3</b> Check appropriate box for federal tax classification of the person whose name is entered on line 1. Check only <b>one</b> of the following seven boxes.</p> <p><input type="checkbox"/> Individual/sole proprietor or single-member LLC      <input type="checkbox"/> C Corporation      <input type="checkbox"/> S Corporation      <input type="checkbox"/> Partnership      <input type="checkbox"/> Trust/estate</p> <p><input type="checkbox"/> Limited liability company. Enter the tax classification (C=C corporation, S=S corporation, P=Partnership) ▶ _____</p> <p><b>Note:</b> Check the appropriate box in the line above for the tax classification of the single-member owner. Do not check LLC if the LLC is classified as a single-member LLC that is disregarded from the owner unless the owner of the LLC is another LLC that is <b>not</b> disregarded from the owner for U.S. federal tax purposes. Otherwise, a single-member LLC that is disregarded from the owner should check the appropriate box for the tax classification of its owner.</p> <p><input checked="" type="checkbox"/> Other (see instructions) ▶ _____</p>	<p><b>4</b> Exemptions (codes apply only to certain entities, not individuals; see instructions on page 3):</p> <p>Exempt payee code (if any) _____</p> <p>Exemption from FATCA reporting code (if any) _____</p> <p><small>(Applies to accounts maintained outside the U.S.)</small></p>
	<p><b>5</b> Address (number, street, and apt. or suite no.) See instructions.</p> <hr/> <p><b>6</b> City, state, and ZIP code</p> <hr/> <p><b>7</b> List account number(s) here (optional)</p>	<p>Requester's name and address (optional)</p> <hr/>

## Part I Taxpayer Identification Number (TIN)

Enter your TIN in the appropriate box. The TIN provided must match the name given on line 1 to avoid backup withholding. For individuals, this is generally your social security number (SSN). However, for a resident alien, sole proprietor, or disregarded entity, see the instructions for Part I, later. For other entities, it is your employer identification number (EIN). If you do not have a number, see *How to get a TIN*, later.

**Note:** If the account is in more than one name, see the instructions for line 1. Also see *What Name and Number To Give the Requester* for guidelines on whose number to enter.

<b>Social security number</b>									
				-			-		
<b>or</b>									
<b>Employer identification number</b>									
				-					

## Part II Certification

Under penalties of perjury, I certify that:

1. The number shown on this form is my correct taxpayer identification number (or I am waiting for a number to be issued to me); and
2. I am not subject to backup withholding because: (a) I am exempt from backup withholding, or (b) I have not been notified by the Internal Revenue Service (IRS) that I am subject to backup withholding as a result of a failure to report all interest or dividends, or (c) the IRS has notified me that I am no longer subject to backup withholding; and
3. I am a U.S. citizen or other U.S. person (defined below); and
4. The FATCA code(s) entered on this form (if any) indicating that I am exempt from FATCA reporting is correct.

**Certification instructions.** You must cross out item 2 above if you have been notified by the IRS that you are currently subject to backup withholding because you have failed to report all interest and dividends on your tax return. For real estate transactions, item 2 does not apply. For mortgage interest paid, acquisition or abandonment of secured property, cancellation of debt, contributions to an individual retirement arrangement (IRA), and generally, payments other than interest and dividends, you are not required to sign the certification, but you must provide your correct TIN. See the instructions for Part II, later.

<b>Sign Here</b>	Signature of U.S. person ▶	Date ▶
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## General Instructions

Section references are to the Internal Revenue Code unless otherwise noted.

**Future developments.** For the latest information about developments related to Form W-9 and its instructions, such as legislation enacted after they were published, go to [www.irs.gov/FormW9](http://www.irs.gov/FormW9).

### Purpose of Form

An individual or entity (Form W-9 requester) who is required to file an information return with the IRS must obtain your correct taxpayer identification number (TIN) which may be your social security number (SSN), individual taxpayer identification number (ITIN), adoption taxpayer identification number (ATIN), or employer identification number (EIN), to report on an information return the amount paid to you, or other amount reportable on an information return. Examples of information returns include, but are not limited to, the following.

- Form 1099-INT (interest earned or paid)

- Form 1099-DIV (dividends, including those from stocks or mutual funds)
  - Form 1099-MISC (various types of income, prizes, awards, or gross proceeds)
  - Form 1099-B (stock or mutual fund sales and certain other transactions by brokers)
  - Form 1099-S (proceeds from real estate transactions)
  - Form 1099-K (merchant card and third party network transactions)
  - Form 1098 (home mortgage interest), 1098-E (student loan interest), 1098-T (tuition)
  - Form 1099-C (canceled debt)
  - Form 1099-A (acquisition or abandonment of secured property)
- Use Form W-9 only if you are a U.S. person (including a resident alien), to provide your correct TIN.
- If you do not return Form W-9 to the requester with a TIN, you might be subject to backup withholding. See What is backup withholding, later.*

By signing the filled-out form, you:

1. Certify that the TIN you are giving is correct (or you are waiting for a number to be issued),
2. Certify that you are not subject to backup withholding, or
3. Claim exemption from backup withholding if you are a U.S. exempt payee. If applicable, you are also certifying that as a U.S. person, your allocable share of any partnership income from a U.S. trade or business is not subject to the withholding tax on foreign partners' share of effectively connected income, and
4. Certify that FATCA code(s) entered on this form (if any) indicating that you are exempt from the FATCA reporting, is correct. See *What is FATCA reporting*, later, for further information.

**Note:** If you are a U.S. person and a requester gives you a form other than Form W-9 to request your TIN, you must use the requester's form if it is substantially similar to this Form W-9.

**Definition of a U.S. person.** For federal tax purposes, you are considered a U.S. person if you are:

- An individual who is a U.S. citizen or U.S. resident alien;
- A partnership, corporation, company, or association created or organized in the United States or under the laws of the United States;
- An estate (other than a foreign estate); or
- A domestic trust (as defined in Regulations section 301.7701-7).

**Special rules for partnerships.** Partnerships that conduct a trade or business in the United States are generally required to pay a withholding tax under section 1446 on any foreign partners' share of effectively connected taxable income from such business. Further, in certain cases where a Form W-9 has not been received, the rules under section 1446 require a partnership to presume that a partner is a foreign person, and pay the section 1446 withholding tax. Therefore, if you are a U.S. person that is a partner in a partnership conducting a trade or business in the United States, provide Form W-9 to the partnership to establish your U.S. status and avoid section 1446 withholding on your share of partnership income.

In the cases below, the following person must give Form W-9 to the partnership for purposes of establishing its U.S. status and avoiding withholding on its allocable share of net income from the partnership conducting a trade or business in the United States.

- In the case of a disregarded entity with a U.S. owner, the U.S. owner of the disregarded entity and not the entity;
- In the case of a grantor trust with a U.S. grantor or other U.S. owner, generally, the U.S. grantor or other U.S. owner of the grantor trust and not the trust; and
- In the case of a U.S. trust (other than a grantor trust), the U.S. trust (other than a grantor trust) and not the beneficiaries of the trust.

**Foreign person.** If you are a foreign person or the U.S. branch of a foreign bank that has elected to be treated as a U.S. person, do not use Form W-9. Instead, use the appropriate Form W-8 or Form 8233 (see Pub. 515, *Withholding of Tax on Nonresident Aliens and Foreign Entities*).

**Nonresident alien who becomes a resident alien.** Generally, only a nonresident alien individual may use the terms of a tax treaty to reduce or eliminate U.S. tax on certain types of income. However, most tax treaties contain a provision known as a "saving clause." Exceptions specified in the saving clause may permit an exemption from tax to continue for certain types of income even after the payee has otherwise become a U.S. resident alien for tax purposes.

If you are a U.S. resident alien who is relying on an exception contained in the saving clause of a tax treaty to claim an exemption from U.S. tax on certain types of income, you must attach a statement to Form W-9 that specifies the following five items.

1. The treaty country. Generally, this must be the same treaty under which you claimed exemption from tax as a nonresident alien.
2. The treaty article addressing the income.
3. The article number (or location) in the tax treaty that contains the saving clause and its exceptions.
4. The type and amount of income that qualifies for the exemption from tax.
5. Sufficient facts to justify the exemption from tax under the terms of the treaty article.

**Example.** Article 20 of the U.S.-China income tax treaty allows an exemption from tax for scholarship income received by a Chinese student temporarily present in the United States. Under U.S. law, this student will become a resident alien for tax purposes if his or her stay in the United States exceeds 5 calendar years. However, paragraph 2 of the first Protocol to the U.S.-China treaty (dated April 30, 1984) allows the provisions of Article 20 to continue to apply even after the Chinese student becomes a resident alien of the United States. A Chinese student who qualifies for this exception (under paragraph 2 of the first protocol) and is relying on this exception to claim an exemption from tax on his or her scholarship or fellowship income would attach to Form W-9 a statement that includes the information described above to support that exemption.

If you are a nonresident alien or a foreign entity, give the requester the appropriate completed Form W-8 or Form 8233.

## Backup Withholding

**What is backup withholding?** Persons making certain payments to you must under certain conditions withhold and pay to the IRS 24% of such payments. This is called "backup withholding." Payments that may be subject to backup withholding include interest, tax-exempt interest, dividends, broker and barter exchange transactions, rents, royalties, nonemployee pay, payments made in settlement of payment card and third party network transactions, and certain payments from fishing boat operators. Real estate transactions are not subject to backup withholding.

You will not be subject to backup withholding on payments you receive if you give the requester your correct TIN, make the proper certifications, and report all your taxable interest and dividends on your tax return.

**Payments you receive will be subject to backup withholding if:**

1. You do not furnish your TIN to the requester,
2. You do not certify your TIN when required (see the instructions for Part II for details),
3. The IRS tells the requester that you furnished an incorrect TIN,
4. The IRS tells you that you are subject to backup withholding because you did not report all your interest and dividends on your tax return (for reportable interest and dividends only), or
5. You do not certify to the requester that you are not subject to backup withholding under 4 above (for reportable interest and dividend accounts opened after 1983 only).

Certain payees and payments are exempt from backup withholding. See *Exempt payee code*, later, and the separate Instructions for the Requester of Form W-9 for more information.

Also see *Special rules for partnerships*, earlier.

## What is FATCA Reporting?

The Foreign Account Tax Compliance Act (FATCA) requires a participating foreign financial institution to report all United States account holders that are specified United States persons. Certain payees are exempt from FATCA reporting. See *Exemption from FATCA reporting code*, later, and the Instructions for the Requester of Form W-9 for more information.

## Updating Your Information

You must provide updated information to any person to whom you claimed to be an exempt payee if you are no longer an exempt payee and anticipate receiving reportable payments in the future from this person. For example, you may need to provide updated information if you are a C corporation that elects to be an S corporation, or if you no longer are tax exempt. In addition, you must furnish a new Form W-9 if the name or TIN changes for the account; for example, if the grantor of a grantor trust dies.

## Penalties

**Failure to furnish TIN.** If you fail to furnish your correct TIN to a requester, you are subject to a penalty of \$50 for each such failure unless your failure is due to reasonable cause and not to willful neglect.

**Civil penalty for false information with respect to withholding.** If you make a false statement with no reasonable basis that results in no backup withholding, you are subject to a \$500 penalty.

**Criminal penalty for falsifying information.** Willfully falsifying certifications or affirmations may subject you to criminal penalties including fines and/or imprisonment.

**Misuse of TINs.** If the requester discloses or uses TINs in violation of federal law, the requester may be subject to civil and criminal penalties.

## Specific Instructions

### Line 1

You must enter one of the following on this line; **do not** leave this line blank. The name should match the name on your tax return.

If this Form W-9 is for a joint account (other than an account maintained by a foreign financial institution (FFI)), list first, and then circle, the name of the person or entity whose number you entered in Part I of Form W-9. If you are providing Form W-9 to an FFI to document a joint account, each holder of the account that is a U.S. person must provide a Form W-9.

a. **Individual.** Generally, enter the name shown on your tax return. If you have changed your last name without informing the Social Security Administration (SSA) of the name change, enter your first name, the last name as shown on your social security card, and your new last name.

**Note: ITIN applicant:** Enter your individual name as it was entered on your Form W-7 application, line 1a. This should also be the same as the name you entered on the Form 1040/1040A/1040EZ you filed with your application.

b. **Sole proprietor or single-member LLC.** Enter your individual name as shown on your 1040/1040A/1040EZ on line 1. You may enter your business, trade, or “doing business as” (DBA) name on line 2.

c. **Partnership, LLC that is not a single-member LLC, C corporation, or S corporation.** Enter the entity’s name as shown on the entity’s tax return on line 1 and any business, trade, or DBA name on line 2.

d. **Other entities.** Enter your name as shown on required U.S. federal tax documents on line 1. This name should match the name shown on the charter or other legal document creating the entity. You may enter any business, trade, or DBA name on line 2.

e. **Disregarded entity.** For U.S. federal tax purposes, an entity that is disregarded as an entity separate from its owner is treated as a “disregarded entity.” See Regulations section 301.7701-2(c)(2)(iii). Enter the owner’s name on line 1. The name of the entity entered on line 1 should never be a disregarded entity. The name on line 1 should be the name shown on the income tax return on which the income should be reported. For example, if a foreign LLC that is treated as a disregarded entity for U.S. federal tax purposes has a single owner that is a U.S. person, the U.S. owner’s name is required to be provided on line 1. If the direct owner of the entity is also a disregarded entity, enter the first owner that is not disregarded for federal tax purposes. Enter the disregarded entity’s name on line 2, “Business name/disregarded entity name.” If the owner of the disregarded entity is a foreign person, the owner must complete an appropriate Form W-8 instead of a Form W-9. This is the case even if the foreign person has a U.S. TIN.

### Line 2

If you have a business name, trade name, DBA name, or disregarded entity name, you may enter it on line 2.

### Line 3

Check the appropriate box on line 3 for the U.S. federal tax classification of the person whose name is entered on line 1. Check only one box on line 3.

IF the entity/person on line 1 is a(n) . . .	THEN check the box for . . .
• Corporation	Corporation
• Individual • Sole proprietorship, or • Single-member limited liability company (LLC) owned by an individual and disregarded for U.S. federal tax purposes.	Individual/sole proprietor or single-member LLC
• LLC treated as a partnership for U.S. federal tax purposes, • LLC that has filed Form 8832 or 2553 to be taxed as a corporation, or • LLC that is disregarded as an entity separate from its owner but the owner is another LLC that is not disregarded for U.S. federal tax purposes.	Limited liability company and enter the appropriate tax classification. (P= Partnership; C= C corporation; or S= S corporation)
• Partnership	Partnership
• Trust/estate	Trust/estate

### Line 4, Exemptions

If you are exempt from backup withholding and/or FATCA reporting, enter in the appropriate space on line 4 any code(s) that may apply to you.

#### Exempt payee code.

- Generally, individuals (including sole proprietors) are not exempt from backup withholding.
- Except as provided below, corporations are exempt from backup withholding for certain payments, including interest and dividends.
- Corporations are not exempt from backup withholding for payments made in settlement of payment card or third party network transactions.
- Corporations are not exempt from backup withholding with respect to attorneys’ fees or gross proceeds paid to attorneys, and corporations that provide medical or health care services are not exempt with respect to payments reportable on Form 1099-MISC.

The following codes identify payees that are exempt from backup withholding. Enter the appropriate code in the space in line 4.

- 1—An organization exempt from tax under section 501(a), any IRA, or a custodial account under section 403(b)(7) if the account satisfies the requirements of section 401(f)(2)
- 2—The United States or any of its agencies or instrumentalities
- 3—A state, the District of Columbia, a U.S. commonwealth or possession, or any of their political subdivisions or instrumentalities
- 4—A foreign government or any of its political subdivisions, agencies, or instrumentalities
- 5—A corporation
- 6—A dealer in securities or commodities required to register in the United States, the District of Columbia, or a U.S. commonwealth or possession
- 7—A futures commission merchant registered with the Commodity Futures Trading Commission
- 8—A real estate investment trust
- 9—An entity registered at all times during the tax year under the Investment Company Act of 1940
- 10—A common trust fund operated by a bank under section 584(a)
- 11—A financial institution
- 12—A middleman known in the investment community as a nominee or custodian
- 13—A trust exempt from tax under section 664 or described in section 4947



The following chart shows types of payments that may be exempt from backup withholding. The chart applies to the exempt payees listed above, 1 through 13.

IF the payment is for . . .	THEN the payment is exempt for . . .
Interest and dividend payments	All exempt payees except for 7
Broker transactions	Exempt payees 1 through 4 and 6 through 11 and all C corporations. S corporations must not enter an exempt payee code because they are exempt only for sales of noncovered securities acquired prior to 2012.
Barter exchange transactions and patronage dividends	Exempt payees 1 through 4
Payments over \$600 required to be reported and direct sales over \$5,000 <sup>1</sup>	Generally, exempt payees 1 through 5 <sup>2</sup>
Payments made in settlement of payment card or third party network transactions	Exempt payees 1 through 4

<sup>1</sup> See Form 1099-MISC, Miscellaneous Income, and its instructions.

<sup>2</sup> However, the following payments made to a corporation and reportable on Form 1099-MISC are not exempt from backup withholding: medical and health care payments, attorneys' fees, gross proceeds paid to an attorney reportable under section 6045(f), and payments for services paid by a federal executive agency.

**Exemption from FATCA reporting code.** The following codes identify payees that are exempt from reporting under FATCA. These codes apply to persons submitting this form for accounts maintained outside of the United States by certain foreign financial institutions. Therefore, if you are only submitting this form for an account you hold in the United States, you may leave this field blank. Consult with the person requesting this form if you are uncertain if the financial institution is subject to these requirements. A requester may indicate that a code is not required by providing you with a Form W-9 with "Not Applicable" (or any similar indication) written or printed on the line for a FATCA exemption code.

A—An organization exempt from tax under section 501(a) or any individual retirement plan as defined in section 7701(a)(37)

B—The United States or any of its agencies or instrumentalities

C—A state, the District of Columbia, a U.S. commonwealth or possession, or any of their political subdivisions or instrumentalities

D—A corporation the stock of which is regularly traded on one or more established securities markets, as described in Regulations section 1.1472-1(c)(1)(i)

E—A corporation that is a member of the same expanded affiliated group as a corporation described in Regulations section 1.1472-1(c)(1)(i)

F—A dealer in securities, commodities, or derivative financial instruments (including notional principal contracts, futures, forwards, and options) that is registered as such under the laws of the United States or any state

G—A real estate investment trust

H—A regulated investment company as defined in section 851 or an entity registered at all times during the tax year under the Investment Company Act of 1940

I—A common trust fund as defined in section 584(a)

J—A bank as defined in section 581

K—A broker

L—A trust exempt from tax under section 664 or described in section 4947(a)(1)

M—A tax exempt trust under a section 403(b) plan or section 457(g) plan

**Note:** You may wish to consult with the financial institution requesting this form to determine whether the FATCA code and/or exempt payee code should be completed.

### Line 5

Enter your address (number, street, and apartment or suite number). This is where the requester of this Form W-9 will mail your information returns. If this address differs from the one the requester already has on file, write NEW at the top. If a new address is provided, there is still a chance the old address will be used until the payor changes your address in their records.

### Line 6

Enter your city, state, and ZIP code.

## Part I. Taxpayer Identification Number (TIN)

**Enter your TIN in the appropriate box.** If you are a resident alien and you do not have and are not eligible to get an SSN, your TIN is your IRS individual taxpayer identification number (ITIN). Enter it in the social security number box. If you do not have an ITIN, see *How to get a TIN* below.

If you are a sole proprietor and you have an EIN, you may enter either your SSN or EIN.

If you are a single-member LLC that is disregarded as an entity separate from its owner, enter the owner's SSN (or EIN, if the owner has one). Do not enter the disregarded entity's EIN. If the LLC is classified as a corporation or partnership, enter the entity's EIN.

**Note:** See *What Name and Number To Give the Requester*, later, for further clarification of name and TIN combinations.

**How to get a TIN.** If you do not have a TIN, apply for one immediately. To apply for an SSN, get Form SS-5, Application for a Social Security Card, from your local SSA office or get this form online at [www.SSA.gov](http://www.SSA.gov). You may also get this form by calling 1-800-772-1213. Use Form W-7, Application for IRS Individual Taxpayer Identification Number, to apply for an ITIN, or Form SS-4, Application for Employer Identification Number, to apply for an EIN. You can apply for an EIN online by accessing the IRS website at [www.irs.gov/Businesses](http://www.irs.gov/Businesses) and clicking on Employer Identification Number (EIN) under Starting a Business. Go to [www.irs.gov/Forms](http://www.irs.gov/Forms) to view, download, or print Form W-7 and/or Form SS-4. Or, you can go to [www.irs.gov/OrderForms](http://www.irs.gov/OrderForms) to place an order and have Form W-7 and/or SS-4 mailed to you within 10 business days.

If you are asked to complete Form W-9 but do not have a TIN, apply for a TIN and write "Applied For" in the space for the TIN, sign and date the form, and give it to the requester. For interest and dividend payments, and certain payments made with respect to readily tradable instruments, generally you will have 60 days to get a TIN and give it to the requester before you are subject to backup withholding on payments. The 60-day rule does not apply to other types of payments. You will be subject to backup withholding on all such payments until you provide your TIN to the requester.

**Note:** Entering "Applied For" means that you have already applied for a TIN or that you intend to apply for one soon.

**Caution:** A disregarded U.S. entity that has a foreign owner must use the appropriate Form W-8.

## Part II. Certification

To establish to the withholding agent that you are a U.S. person, or resident alien, sign Form W-9. You may be requested to sign by the withholding agent even if item 1, 4, or 5 below indicates otherwise.

For a joint account, only the person whose TIN is shown in Part I should sign (when required). In the case of a disregarded entity, the person identified on line 1 must sign. Exempt payees, see *Exempt payee code*, earlier.

**Signature requirements.** Complete the certification as indicated in items 1 through 5 below.

**1. Interest, dividend, and barter exchange accounts opened before 1984 and broker accounts considered active during 1983.**

You must give your correct TIN, but you do not have to sign the certification.

**2. Interest, dividend, broker, and barter exchange accounts opened after 1983 and broker accounts considered inactive during 1983.**

You must sign the certification or backup withholding will apply. If you are subject to backup withholding and you are merely providing your correct TIN to the requester, you must cross out item 2 in the certification before signing the form.

**3. Real estate transactions.** You must sign the certification. You may cross out item 2 of the certification.

**4. Other payments.** You must give your correct TIN, but you do not have to sign the certification unless you have been notified that you have previously given an incorrect TIN. "Other payments" include payments made in the course of the requester's trade or business for rents, royalties, goods (other than bills for merchandise), medical and health care services (including payments to corporations), payments to a nonemployee for services, payments made in settlement of payment card and third party network transactions, payments to certain fishing boat crew members and fishermen, and gross proceeds paid to attorneys (including payments to corporations).

**5. Mortgage interest paid by you, acquisition or abandonment of secured property, cancellation of debt, qualified tuition program payments (under section 529), ABLE accounts (under section 529A), IRA, Coverdell ESA, Archer MSA or HSA contributions or distributions, and pension distributions.** You must give your correct TIN, but you do not have to sign the certification.

**What Name and Number To Give the Requester**

For this type of account:	Give name and SSN of:
1. Individual	The individual
2. Two or more individuals (joint account) other than an account maintained by an FFI	The actual owner of the account or, if combined funds, the first individual on the account <sup>1</sup>
3. Two or more U.S. persons (joint account maintained by an FFI)	Each holder of the account
4. Custodial account of a minor (Uniform Gift to Minors Act)	The minor <sup>2</sup>
5. a. The usual revocable savings trust (grantor is also trustee)	The grantor-trustee <sup>1</sup>
b. So-called trust account that is not a legal or valid trust under state law	The actual owner <sup>1</sup>
6. Sole proprietorship or disregarded entity owned by an individual	The owner <sup>3</sup>
7. Grantor trust filing under Optional Form 1099 Filing Method 1 (see Regulations section 1.671-4(b)(2)(i)(A))	The grantor*
For this type of account:	Give name and EIN of:
8. Disregarded entity not owned by an individual	The owner
9. A valid trust, estate, or pension trust	Legal entity <sup>4</sup>
10. Corporation or LLC electing corporate status on Form 8832 or Form 2553	The corporation
11. Association, club, religious, charitable, educational, or other tax-exempt organization	The organization
12. Partnership or multi-member LLC	The partnership
13. A broker or registered nominee	The broker or nominee

For this type of account:	Give name and EIN of:
14. Account with the Department of Agriculture in the name of a public entity (such as a state or local government, school district, or prison) that receives agricultural program payments	The public entity
15. Grantor trust filing under the Form 1041 Filing Method or the Optional Form 1099 Filing Method 2 (see Regulations section 1.671-4(b)(2)(i)(B))	The trust

<sup>1</sup> List first and circle the name of the person whose number you furnish. If only one person on a joint account has an SSN, that person's number must be furnished.

<sup>2</sup> Circle the minor's name and furnish the minor's SSN.

<sup>3</sup> You must show your individual name and you may also enter your business or DBA name on the "Business name/disregarded entity" name line. You may use either your SSN or EIN (if you have one), but the IRS encourages you to use your SSN.

<sup>4</sup> List first and circle the name of the trust, estate, or pension trust. (Do not furnish the TIN of the personal representative or trustee unless the legal entity itself is not designated in the account title.) Also see *Special rules for partnerships*, earlier.

\*Note: The grantor also must provide a Form W-9 to trustee of trust.

Note: If no name is circled when more than one name is listed, the number will be considered to be that of the first name listed.

**Secure Your Tax Records From Identity Theft**

Identity theft occurs when someone uses your personal information such as your name, SSN, or other identifying information, without your permission, to commit fraud or other crimes. An identity thief may use your SSN to get a job or may file a tax return using your SSN to receive a refund.

To reduce your risk:

- Protect your SSN,
- Ensure your employer is protecting your SSN, and
- Be careful when choosing a tax preparer.

If your tax records are affected by identity theft and you receive a notice from the IRS, respond right away to the name and phone number printed on the IRS notice or letter.

If your tax records are not currently affected by identity theft but you think you are at risk due to a lost or stolen purse or wallet, questionable credit card activity or credit report, contact the IRS Identity Theft Hotline at 1-800-908-4490 or submit Form 14039.

For more information, see Pub. 5027, Identity Theft Information for Taxpayers.

Victims of identity theft who are experiencing economic harm or a systemic problem, or are seeking help in resolving tax problems that have not been resolved through normal channels, may be eligible for Taxpayer Advocate Service (TAS) assistance. You can reach TAS by calling the TAS toll-free case intake line at 1-877-777-4778 or TTY/TDD 1-800-829-4059.

**Protect yourself from suspicious emails or phishing schemes.**

Phishing is the creation and use of email and websites designed to mimic legitimate business emails and websites. The most common act is sending an email to a user falsely claiming to be an established legitimate enterprise in an attempt to scam the user into surrendering private information that will be used for identity theft.

The IRS does not initiate contacts with taxpayers via emails. Also, the IRS does not request personal detailed information through email or ask taxpayers for the PIN numbers, passwords, or similar secret access information for their credit card, bank, or other financial accounts.

If you receive an unsolicited email claiming to be from the IRS, forward this message to [phishing@irs.gov](mailto:phishing@irs.gov). You may also report misuse of the IRS name, logo, or other IRS property to the Treasury Inspector General for Tax Administration (TIGTA) at 1-800-366-4484. You can forward suspicious emails to the Federal Trade Commission at [spam@uce.gov](mailto:spam@uce.gov) or report them at [www.ftc.gov/complaint](http://www.ftc.gov/complaint). You can contact the FTC at [www.ftc.gov/idtheft](http://www.ftc.gov/idtheft) or 877-IDTHEFT (877-438-4338). If you have been the victim of identity theft, see [www.IdentityTheft.gov](http://www.IdentityTheft.gov) and Pub. 5027.

Visit [www.irs.gov/IdentityTheft](http://www.irs.gov/IdentityTheft) to learn more about identity theft and how to reduce your risk.

## Privacy Act Notice

Section 6109 of the Internal Revenue Code requires you to provide your correct TIN to persons (including federal agencies) who are required to file information returns with the IRS to report interest, dividends, or certain other income paid to you; mortgage interest you paid; the acquisition or abandonment of secured property; the cancellation of debt; or contributions you made to an IRA, Archer MSA, or HSA. The person collecting this form uses the information on the form to file information returns with the IRS, reporting the above information. Routine uses of this information include giving it to the Department of Justice for civil and criminal litigation and to cities, states, the District of Columbia, and U.S. commonwealths and possessions for use in administering their laws. The information also may be disclosed to other countries under a treaty, to federal and state agencies to enforce civil and criminal laws, or to federal law enforcement and intelligence agencies to combat terrorism. You must provide your TIN whether or not you are required to file a tax return. Under section 3406, payers must generally withhold a percentage of taxable interest, dividend, and certain other payments to a payee who does not give a TIN to the payer. Certain penalties may also apply for providing false or fraudulent information.



## COUNTY VETERANS' SERVICES PROGRAM QUARTERLY REPORT OF ACTIVITIES

**Important Submission Instructions**

ODVA Form VS0914 COUNTY VETERANS' SERVICES PROGRAM QUARTERLY REPORT OF ACTIVITIES is used to report the work load and outreach for a county's veterans' services program each quarter. Please submit, along with your report of expenditures, to the address below, fax to 1-503-373-2393, or email to: [CVSO-NSOFunding@ODVA.state.or.us](mailto:CVSO-NSOFunding@ODVA.state.or.us)

**Reports are due NO LATER THAN the last working day of the month following the end of the fiscal quarter.**

Submit to: Oregon Department of Veterans' Affairs Statewide Veteran Services 700 Summer Street NE Salem, Oregon 97301-1285	<input type="checkbox"/> 1 <sup>st</sup> Quarter (July, August, September) <input type="checkbox"/> 2 <sup>nd</sup> Quarter (October, November, December) <input type="checkbox"/> 3 <sup>rd</sup> Quarter (January, February, March) <input checked="" type="checkbox"/> 4 <sup>th</sup> Quarter (April, May, June)
Name of County	Time Period
Morrow	July 1, 2021 through June 30, 2022

### INTERVIEW PROCESS

Interviews are face-to-face interactions with a veteran and/or family member, either in the office or out of the office. These are not requests for information handled by a receptionist or casual conversations held at an outreach event. Enough information must be gathered to document the interaction into VetraSpec.

Total In-Office Interviews	Total Out-of-Office Interviews	Total Interviews for Quarter
*92, 6	-	98

### CLAIMS/APPEALS/BENEFIT AWARDS

**Claims information is gathered from VetraSpec reports only, for clients under ODVA Power of Attorney.**

Original USDVA Form 526, 527, or 534 filed this quarter:	9
Original USDVA Form 1010EZ/1010EZR (enrollment for health care) filed:	7
USDVA Form 20-0995 (decision review/supplemental claim) filed:	2
NOD/VA Form 9/VA Form 0996/VA Form 10182 filed:	6
Total Amounts this Qtr (new monthly awards): \$ ---	Retroactive Awards for the Quarter: \$ 44,705.92

### OUTREACH CONDUCTED

Outreach events are outside normal locations. Time spent in a scheduled satellite office is not counted as outreach. Outreach must be to more than one person. No matter the number of VSOs present, one location equals one event. A home visit is not outreach; it is an out-of-office interview.

The goal of outreach is an eventual increase in subsequent interviews, claims filed, and benefits awarded, as well as connecting that veteran or family member with other beneficial programs in your county.

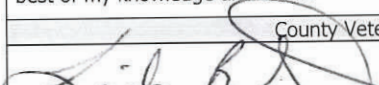
Location of Event	Other Departments/services Attending	Approximate Number of People Attending
*Resource Round Table- virtual	Health Care, MH, Social Services	20+
*LCAC - Virtual	Health Care, schools, MH Social Services	20+
Burial Benefit Mailer		Morrow County Households
Suicide Awareness Walk	MH, Vet Center	16
*WWVAMC meeting	WWVAMC leadership, VSOs Congressior	15
*Resource Roundtable	Fair Housing, HC, MH, Social Services	30+



## COUNTY VETERANS' SERVICES PROGRAM QUARTERLY REPORT OF ACTIVITIES

OTHER SERVICES PERFORMED
Other services performed outside of applications for VA benefits. For example: assistance with housing, clothing allowance, VA medical billing issues, transportation solutions, overpayment, assistance applying for other benefits (e. g., SSI), etc.
Referral to PCP for Prosthetics issue, NSC vet referred to non profit for ramp, referral to non profit for spare DME, (motorized wheelchair needs repair) Assist with VA overpayment issues, Referral to Veterans Transportation. Assist depe
Assist surviving spouse to apply for replacement of veterans medals. Assist vet with name change request. Assist with ROI to receive veterans med recs to amend DC. Request State benefit eligibility letters. Vet Center referral.
Explain VA decisions to veterans, favorable and unfavorable. Assist vets to comply with reply needed letters re: dependency, past employment information, overpayment. Assist vet with 72 hr Emergency National Notification
Assisted another vet with similar issue, hospital didnt complete properly.
Third party authorizations. Home loan inquiries. Inquiry re: discharge upgrade. Assist with rescheduling C&P exams.
Please list below any veteran or non-veteran specific meetings attended. These meetings serve to get veteran information to other county offices, as well as assist the VSO to become familiar with services available outside the USDVA. Examples are Homeless Veteran Task Force, Rotary Club, Lions Club, Elks Club, or County Transportation Boards.
Domestic Violence Services meetings, Eastern Oregon Center for Independent Living meeting, Home for Hope meetings, County Safety meetings, Board of Commissioner Meetings
New POAs this quarter 11
Please list below any Conferences or Training events attended.
*(NACVSO) National Association of County Veterans Service Officers Conference
*TMS training, *NVLSP training, Tribal VSO & County VSO training, *ODVA Check in meetings,
*Lines for Life training, * VBA/MST training, *WDVA Brain injury,
*USDVA Presentation Medical Disability Examination Office - MET's Testing

**Please attach a blank page to add any additional activities or innovations your office performed or accomplished this quarter.**

CERTIFICATION AND SIGNATURE	
This report is submitted to qualify for funds available from the Oregon Department of Veterans' Affairs and is certified to be true and correct to the best of my knowledge and belief.	
County Veterans' Service Officer Signature	Date Signed
 CUSO	7/7/2022



## MEMORANDUM

To: Morrow County Board of Commissioners  
From: Tamra Mabbott, Planning Director  
CC: Planning Commission  
BOC Date: July 13, 2022  
RE: Monthly Planning Update

### **Mission Statement**

*Morrow County Planning Department provides guidance and support to citizens for short term and long-range planning in land use, to sustain and improve the county's lands for future generations. Our goal is to foster development where people can live, work & play.*

### **Planning Commission Update**

Planning Commission held their regular meeting on June 28<sup>th</sup> in Heppner and approved five applications.

### **Current Planning Activity Month of June 2022**

- Zoning Permits – 13
- Land Use Compatibility Reviews – 12
- Land Partition – 1
- Land Partition / Replat - 1
- Land Use Decision – 1
  - 1 Administratively
- Rural Address – 3

### **Code Enforcement Activity**

- 3 new complaints- Expired permit, 2 Noxious Weed complaints
- 2 complaints- Noxious Weeds (Scottish Thistles)
- 1 complaint- Temp Storage Permit, Expired. Letter sent out for removal or action will be taken.
- 3 cases closed – Garbage & Debris, Noxious Weeds
- 2 code cases closed- Clean up of properties that had significant garbage and general nuisances.
- 1 code case closed- Noxious weeds, was inside City limits. Weed Inspector advised to contact the City of Lexington.
- 1 court case continued- Land owner did not show up for court, Judge Diehl issued an order to show cause, court date pending.
- Communicating with 10 non-permitted trucking business operations located in residential zones.
- Other outstanding/ongoing cases - **37**



### **Energy Projects**

Staff continue to coordinate and host pre-application meetings for permitting new solar and other energy developments. List of pending and approved projects can be found here:

<https://www.co.morrow.or.us/planning/page/renewable-energy-1>

The 500 kV interstate Boardman to Hemingway Transmission line is currently under contested case review at the State of Oregon. Morrow County is working with Umatilla, Union, Baker and Malheur Counties to coordinate review of permit conditions and compliance if the state permit is granted.

## **TRANSPORTATION PLANNING**

### **Tower Road Informational Meeting**

Planning and Public Works are hosting an informal discussion on July 14<sup>th</sup> about Tower Road and the Interstate 84 Impacts. Staff has received commitment that Oregon Department of Transportation (ODOT) will fund a formal Interchange Area Management Plan next year. Interested landowners and residents are welcome to attend the meeting at the North Morrow Annex Building in Irrigon.

### **Access to Transportation**

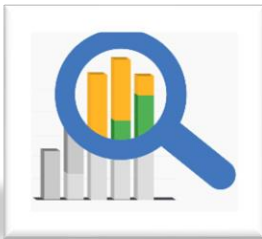
Planning and Morrow County Transit were awarded a Rural Transportation Equity Grant from the Department of Land Conservation & Development. The grant is designed to help underserved communities in rural areas gain access to critical services and destinations by identifying and pursuing transportation options like biking, walking and public transportation.

**Coordinated Transportation Plan** for Morrow county and Umatilla County is in the update process. Planning staff is serving as part of the advisory committee, along with staff from The Loop.

**Other Grants** Planning Staff is serving as part of an inter-departmental team to create a program for county-wide grant writing and grant compliance services. The team will review proposals from consultants and make recommendations to the Board of Commissioners. Additionally, together with Cities of Ione, Lexington and Heppner, a consultant was recently selected to conduct the Goal 9 Economic Development and Employment Lands Inventory and Analysis. That work will begin in late August.

### **Umatilla Army Depot**

Planning staff continue to provide support on matters related to the future transfer of the US Army lands to the Columbia Development Authority (CDA). The land transfer from U.S. Army Corps of Engineers to the CDA is scheduled to take place by the end of 2022. More information about the CDA and Army Depot lands is available on the CDA web page. <https://umadra.com/meetings>



**Data Dashboard** Stephen Wrecsics, GIS and Planner Tech continues to add data to the recently developed a dashboard for Morrow County. Available here: [www.co.morrow.or.us/planning/page/dashboards](http://www.co.morrow.or.us/planning/page/dashboards)