TITLE 28

PUBLIC FINANCIAL ADMINISTRATION

Chapter 291. State Financial Administration
292. Payment of Salaries and Expenses of State Officers and Employes
294. County and Municipal Financial Administration
295. Depositories of Public Funds and Securities
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Chapter 291

1957 REPLACEMENT PART

State Financial Administration

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291.002 Definitions. As used in ORS 291.002 to 291.020, 291.202 to 291.222, 291.232 to 291.260, 291.376, 291.558 to 291.562, 291.652 to 291.664, 291.702 to 291.722, subsection (2) of ORS 291.474 and subsection (1) of ORS 291.990, unless the context otherwise requires:

(1) "Department" means the Department of Finance and Administration.

(2) "Director" means the Director of the Department of Finance and Administration.

(3) "Dedicated fund" means any fund in the State Treasury, or separate account in the State General Fund in the State Treasury, that by law is dedicated, appropriated or set aside for a limited object or purpose; but "dedicated fund" does not include a revolving fund or a trust fund.

(4) "Revolving fund" means a fund in the State Treasury, established by law, from which is paid the cost of goods or services furnished or rendered to or by a state agency, and which is replenished through charges made for such goods or services or through transfers from other accounts or funds; and specifically includes funds derived from receipts by the State Board of Higher Education of tuition, fees, dormitory earnings, student activity receipts and sales of products and services incident to education functions.

(5) "Trust fund" means a fund in the State Treasury in which designated persons or classes of persons have a vested beneficial interest or equitable ownership, or which was created or established by a gift, grant, contribution, devise or bequest that limits the use of the fund to designated objects or purposes.

(6) "Expenditure classifications" or "classification of expenditures" means the major groups or categories of expenditures, designed for efficient budget-making and expenditure accounting, that are established by the Governor, with the approval of the Secretary of State, pursuant to ORS 291.206; and until other expenditure classifications are established, the following expenditure classifications shall be controlling for the purposes of this chapter:

(a) "Salaries and wages," which includes expenditures for personal services of every nature rendered by persons regularly or seasonally employed, except salaries and wages in connection with capital outlay.

(b) "General operating and maintenance expenses," which includes all costs incident to general management of state agencies or in connection with the uses and upkeep of property, not included in salaries and wages and capital outlay.

(c) "Capital outlay," which includes all expenditures for land and its improvements, including buildings and structures and major alterations and additions thereto, including salaries and wages in connection therewith; and the first cost of motor vehicles, domestic animals, machinery, apparatus, equipment and furniture, including major alterations and additions thereto, which will have a useful life of service substantially longer than two years; but expenditures for any of the capital outlays enumerated in this paragraph which do not exceed $10 shall not be deemed capital outlay.

(d) "Special requests," which includes expenditures to which paragraphs (a), (b) and (c) of this subsection do not apply but which are designated specifically by appropriation or operate pursuant to law.

(7) "State agency" or "agency" means every state officer, board, commission, department, institution, branch or agency of the state government, whose costs are paid wholly or in part from funds held in the State Treasury, except the Legislative Assembly, the courts and their officers and committees, and except the Secretary of State and the State Treasurer in the performance of the duties of their constitutional offices.

(8) "State officer" means any elected or appointed state officer, including members of boards and commissions, except the members and officers of the Legislative Assembly, the courts and the Secretary of State and the State Treasurer in the performance of the duties of their constitutional offices.

291.003 Federal laws and rules govern where federal granted funds are involved. In all cases where federal granted funds are involved, the federal laws, rules and regulations applicable thereto shall govern notwithstanding any provision to the contrary in ORS 291.002 to 291.020, 291.202 to 291.222, 291.232 to 291.260, 291.376, 291.558 to 291.562, 291.652 to 291.664, 291.702 to 291.722, subsection (2) of ORS 291.474 and subsection (1) of ORS 291.990.

DEPARTMENT OF FINANCE AND ADMINISTRATION

291.004 Department of Finance and Administration established; duties and functions. A Department of Finance and Administration is established. The department, under the direction of the Governor, shall be responsible as provided in this chapter for the administration of all internal state fiscal services and controls and subject to the exceptions provided for in this chapter and in ORS 279.008, 279.712 and 279.730, shall in general:

(1) Develop financial policies and plans for consideration by the Governor as the basis for his budget report and his recommendations to the Legislative Assembly and prepare for the Governor his budget report.

(2) Coordinate and control the internal fiscal affairs and procedures of the state to insure the execution of the financial policies and plans approved by the Legislative Assembly, and to insure that fiscal records and claims against the state may be presented properly to the Secretary of State for audit, examination and determination by him.

(3) Prescribe, install, and modify from time to time, accounting systems for state agencies and officers.

(4) Exercise or control the exercise of all functions relating to purchasing or contracting for the supplies, materials, equipment, and services other than personal, needed by state agencies, including the advertisement for bids and the making and awarding of purchase contracts; the requisitioning and storage of purchased items; the disposal of surplus and salvage, and the transfer to or between state agencies of needed supplies, equipment and materials.

(5) Have such control and management of printing for state agencies as is prescribed in ORS chapter 282.

(6) Provide for and regulate the inspection, appraisal and inventory of state property, and the protection and custody of state property by state agencies.

(7) Control and supervise the acquisition, operation, maintenance, repair and replacement of state-owned motor vehicles by state agencies.

(8) Maintain centralized inter-agency services, such as mailing, communication, transportation, clerical pools, and duplication equipment services, designed to promote efficiency and economy.

(9) Authorize and approve travel and travel expense allowances of officers and employes of state agencies.

(10) Develop plans for improvements and economies in organization and administration of the state agencies.

(11) Authorize subject to its control the decentralized performance by state agencies of fiscal activities set forth in this chapter.

291.006 Enumeration of duties not exclusive. The enumeration of duties and functions in ORS 291.004 shall not be deemed exclusive nor construed as a limitation on the powers and authority vested in the department by other provisions of law.

291.008 Director of department. The Department of Finance and Administration shall be under the supervision and control of a director, who shall be appointed by and shall hold his office at the pleasure of the Governor and who shall be responsible for the performance of the duties imposed upon the department. The Governor shall appoint as director a person who, by training and experience, is well qualified to perform the duties of the office. The director shall receive such salary as may be provided by law or, if not so provided, as may be fixed by the Governor. Before entering upon the duties of his office, the director shall give to the state a fidelity bond in such penal sum as may be fixed by law or, if not so fixed, as may be fixed by the Governor, with corporate surety authorized to do business in this state. The premium for such bond shall be paid by the department.

291.010 Powers of director; designating deputy; appointing officers and employes; requiring bonds of officers and employes of state agencies. The director shall have the following powers:

(1) To designate a division head as his deputy, to serve at his pleasure, with full authority to act for him, but subject to his control. The designation of a deputy shall be by written order, filed with the Secretary of State.

(2) Except as provided in ORS 291.012, to appoint all subordinate officers and employes of the department and to prescribe their duties and fix their compensation, subject to the applicable provisions of the State Civil Service Law.

(3) To require a fidelity bond of any officer or employe of the department or of any other state agency, who has charge of, handles or has access to any state money or

property, and who is not otherwise required by law to give such a bond. The amounts of the bonds shall be fixed by the director, except as otherwise provided by law, and the sureties shall be approved by him. The premium on the bond of any officer or employe shall be paid by the agency by which he is employed.

291.012 Organization of department; administrative divisions. For the purpose of administration, the director, with the approval of the Governor, shall organize and reorganize as necessary, the department in the manner that he deems necessary properly to conduct the work of the department. The functions of the department shall be divided among not more than six administrative divisions. Each administrative division shall be headed by a person appointed by the director of the department, with the approval of the Governor, who shall serve at the pleasure of the director and shall not be subject to the State Civil Service Law. Each such head shall be well qualified by technical training and experience in the functions to be performed. [Amended by 1955 c.58 §1]

291.014 Department may prescribe rules and regulations. The department with the approval of the Governor may make rules and regulations necessary or proper for the administration and enforcement of ORS chapter 282, ORS 278.090, 279.710 to 279.746, 279.824, 291.002 to 291.020, 291.202 to 291.222, 291.232 to 291.260, 291.376, 291.558 to 291.562, 291.652 to 291.664, 291.702 to 291.722, subsection (2) of ORS 291.474, subsection (1) of ORS 291.990, ORS 292.220 and 292.230.

291.016 Making administrative and organizational surveys. The department may make or cause to be made administrative and organizational surveys of the state agencies for the purpose of determining the feasibility of improving the administration of the state government by the elimination of unnecessary positions and activities, the improvement of internal operating forms, the avoidance of duplication, and increasing efficiency and economical operation.

291.018 Conducting research; requiring administrative reports from agencies. The department shall conduct research for use in administrative planning, policy review and organization and methods improvement. Periodic administrative reports to the department and the Governor, designed to outline factually the quantitative and qualitative aspects of work performance by operating units, may be required of state agencies. The department may require submission of such information in reports as will permit sound analysis and will provide the basis for detecting administrative weaknesses, correcting performance difficulties and permitting better planning and management of state services.

291.020 Submitting suggestions to Governor for improvement of state governmental administration. The department, upon the basis of its research and reports received, shall submit, from time to time, for the Governor's consideration and appropriate action thereupon, suggestions for the development of interagency policies consistent with the executive policies of the Governor and for the improvement of operating methods and procedures and better personnel utilization and for the improvement of work performance and reduction of costs in state government activities.

291.022 to 291.200 [Reserved for expansion]

STATE BUDGET; BUDGET REPORT

291.202 Budget report of Governor; department to assist Governor in preparation. The Governor shall prepare in each even-numbered year a budget report for the biennium beginning July 1 of the following year. The Department of Finance and Administration shall advise and assist the Governor in the preparation of his budget report and shall perform such duties in connection therewith as the Governor requires.

291.204 Prescribing forms for submitting budget estimates and requests for appropriations; furnishing budget forms to agencies. The department, by July 1 of each even-numbered year, shall furnish every state agency with a sufficient number of forms for its use in preparing for submission to the Governor the information required by the Governor in the preparation of his budget report. The Governor shall prescribe the forms to be used by the agencies in submitting their budget estimates and requests for appropriations as required by ORS 291.208.

291.206 Guidance of agencies in completing budget forms. The Governor shall prescribe such rules and regulations as he deems necessary for the guidance of agen-

cies in the preparation of the budget estimates and requests. The Governor, with the approval of the Secretary of State, shall prepare and prescribe classifications of expenditures and revenue for the purpose of budget-making and accounting.

291.208 Filing budget forms with department; preparing requests for agencies failing to file. Each state agency shall file with the department, before September 1 in each even-numbered year, on the form and in the manner required, its budget forms containing the information required. The department shall prepare budget estimates and requests for appropriations for all agencies that fail to file requests.

291.210 Preparing tentative budget plan. The Department of Finance and Administration, in connection with its direct studies of the operations, plans and needs of state agencies and of the existing and prospective sources of income, shall prepare a tentative budget plan for the two fiscal years for which a budget report is required to be prepared.

291.212 Revising budget plan; transmitting budget forms and tentative budget report to Governor. Upon receipt of the budget forms, the department shall check the agencies' estimates in the light of the tentative budget plan and shall make such further inquiries and investigations as the Governor requires and revise its tentative budget plan accordingly. The department then shall transmit to the Governor the budget forms filed with it by the state agencies and the revised tentative budget report.

291.214 Governor to examine budget forms and revise tentative budget report. The Governor, during the preparation of the budget report and before its submission to the Legislative Assembly, shall examine the budget forms filed by the various agencies. He may make or cause to be made such further investigations by the department, with such hearings before him or any state agency, as he deems advisable, and may make such changes or revisions in policy and program and in specific details of the tentative budget report as he finds warranted.

291.216 Governor's budget report. (1) Not later than November 10 of each even-numbered year the Governor shall cause the budget report to be compiled and prepared for printing.

(2) The budget report shall include a budget message prepared by the Governor, including his recommendations with reference to the fiscal policy of the state government for the coming biennium, describing the important features of the budget plan, embracing a general budget summary setting forth the aggregate figures of the budget report so as to show a balanced relation between the total proposed expenditures and the total anticipated income, with the basis and factors on which the estimates are made, the amount to be borrowed, and other means of financing the estimated expenditures for the ensuing biennium, compared with the corresponding figures for at least the last completed biennium and the current biennium.

(3) The budget plan shall be supported by explanatory schedules or statements, classifying the expenditures reported therein, both past and proposed, by organization units, objects and funds, and the income by organization units, sources and funds, and the proposed amount of new borrowing as well as proposed new tax or revenue sources.

(4) The budget plan shall be submitted for all dedicated funds, as well as the State General Fund, and shall include the estimated amounts of federal and other aids or grants to state agencies or activities provided for any purpose whatever, together with estimated expenditures therefrom.

(5) The budget report shall embrace the detailed estimates of expenditures and revenues. It shall include statements of the bonded indebtedness of the state government, showing the actual amount of the debt service for at least the past biennium, and the estimated amount for the current biennium and the ensuing biennium, the debt authorized and unissued, the condition of the sinking funds and the borrowing capacity. It shall also contain any statements relative to the financial plan which the Governor may deem desirable or which may be required by the legislature.

291.218. Printing budget report; transmitting to members of legislature. The Department of Finance and Administration shall have as many copies of the approved budget report printed as the Governor directs. Not later than December 20 of each even-numbered year, the Governor shall transmit a copy thereof to each member of

the legislature who is to serve during the next session.

291.220 Furnishing information and assistance to legislature. The Governor, upon request, shall furnish the legislature any further information required concerning the budget report. The Department of Finance and Administration, upon request, shall furnish a representative to assist the legislature or its ways and means committees in the consideration of the budget report or appropriation bills.

291.222 Furnishing information and assistance to Governor-elect; recommending revision of budget report. If the Governor under whose supervision the budget report for the ensuing biennium is being prepared will be succeeded in office, the department shall make available to the Governor-elect so much as he requests of the information upon which the budget report is based, and upon completion of the budget report shall supply him with a copy thereof. The department shall also make available to him all facilities of the department reasonably necessary to permit him to review and familiarize himself with the budget report. If after a review of the proposed budget, the Governor-elect desires to recommend revisions of, or additions to, any part of the budget report, he may prepare such revisions and submit them to the Legislative Assembly for its consideration. The department shall assist, upon request, in the preparation of such revisions or additions.

291.224 to 291.230 [Reserved for expansion]

SUPERVISION OF STATE EXPENDITURES

291.232 Declaration of policy. It is declared to be the policy and intent of the Legislative Assembly that the total appropriations made by it, or the total of any budget approved by it, for any state agency, shall be deemed to be the maximum amount necessary to meet the requirements of such agency for the biennium, excepting as may otherwise be provided by law, and that the Governor and the Department of Finance and Administration are given the powers granted by ORS 291.202 to 291.260 in order that savings may be effected by careful supervision throughout each biennium, with due regard to changing conditions, and by promoting more economic and efficient management of state agencies.

291.234 Department to make allotments to state officers and agencies of appropriations and funds; allotment period. (1) The Department of Finance and Administration shall make allotments to state officers and agencies of appropriations and funds pursuant to the allotment system provided for in ORS 291.234 to 291.260.

(2) For the purposes of the allotment system, each fiscal year shall be divided into four quarterly allotment periods, beginning, respectively, on the first days of July, October, January and April. However, in any case where the quarterly allotment period is impracticable, the department may prescribe a different period suited to the circumstances, not exceeding six months nor extending beyond the end of the biennium.

291.236 Allotment system applicable to all appropriations; controlling expenditures and encumbering of emergency, contingent, revolving and trust funds. (1) The provisions of ORS 291.234 to 291.260 relating to the allotment system shall apply to all appropriations for state officers and agencies. For this purpose "appropriation" includes standing, continuing and annual appropriations, and dedicated funds. In those cases where periodical allotments are impracticable, the department may dispense therewith and prescribe such regulations as will insure proper application and encumbering of funds.

(2) Subject to ORS 291.238, emergency or contingent funds, revolving funds and trust funds shall be subject to such regulations as the department may prescribe for controlling the expenditures and encumbering of such funds.

291.238 Expenditures without allotment prohibited; expenditures from dedicated, revolving and trust funds. (1) Except as expressly authorized in this section or ORS 291.236, no person shall incur, or order or vote to incur, any obligation against the state in excess of, or make or order or vote to make any expenditure not authorized by, an allotment. Any such obligation so incurred shall not be binding against the state, but where the obligation violates this section only for having been made in excess of an allotment, the department may authorize payment thereof from unallotted funds.

(2) Excepting as to administrative expenditures from dedicated, revolving and trust funds and to revolving funds established to provide services rendered by any state agency to other state agencies or to any body politic of the State of Oregon, expenditures from dedicated funds, revolving funds and trust funds may be made by any state agency without appropriation or allotment.

(3) No person shall make or order or vote to make any expenditure from or chargeable to a revolving fund or trust fund in excess of the amount standing to the credit of such fund or for any purpose for which such fund may not lawfully be expended.

291.240 [Repealed by 1953 c.168 §4]

291.242 Allotment required before expenditure of appropriation; submitting estimates. No appropriation to which the allotment system is applicable shall become available to any state agency for expenditure thereby during any allotment period until:

(1) The agency submits to the department an estimate, in such form as the department prescribes, for such allotment period, of the amount required for each activity to be carried on during that period; and

(2) The estimate is approved, increased or decreased by the department and funds allotted therefor.

291.244 Department action on estimates. The department shall act promptly upon all estimates required by ORS 291.242. If the estimate is within the terms of the appropriation as to amount and purposes, having due regard for the probable further needs of the agency for the remainder of the term for which the appropriation was made, and if the department determines that there is a need for the estimated amount for the allotment period, the department shall approve the estimate and allot the estimated amount for expenditure. Otherwise the department shall modify the estimate so as to conform with the terms of the appropriation and the prospective needs of the agency, and shall reduce the amount allotted accordingly.

291.246 Allotments to be made for purpose or classification of expenditure prescribed in appropriation measure. Allotments shall be made according to purpose and classification of expenditures prescribed in the appropriation measure as enacted by the Legislative Assembly, and the funds allotted for each purpose or classification of expenditure shall be used for no other purpose or classification of expenditure.

291.248 Notice of allotment. Upon the granting of any allotment, the department shall transmit a notice of the allotment to the agency concerned.

291.250 Claims and encumbrances limited by amount and purpose of allotment. The agency shall not create any claim or encumbrance for the future disbursement of appropriated moneys unless the proposed expenditure as estimated, together with expenses theretofore paid from or encumbered against such allotment, is within the total amount and for the purposes specified in the notice of allotment transmitted to such agency.

291.252 Modifying allotment previously made. The department may at any time modify or amend any allotment previously made by it, upon application of, or upon notice to, the agency concerned, but no such modification or amendment shall reduce an allotment below the amount required to meet valid obligations or commitments previously incurred against the allotted funds.

291.254 Reducing allotment to prevent deficit. If the department determines at any time that the probable receipts from taxes or any other sources for any appropriation will be less than was anticipated, and that consequently the amount available for the remainder of the term of the appropriation or for any allotment period will be less than the amount estimated or allotted therefor, the department shall, with the approval of the Governor, and after notice to the agency or agencies concerned, reduce the amount allotted or to be allotted so as to prevent a deficit.

291.256 Transfer of unexpended balance of allotment for salaries and wages to Salary Savings Account. The unexpended balance remaining in each allotment for salaries and wages shall be transferred to a Salary Savings Account at the end of each allotment period. The unexpended balance shall be computed by deducting from the salaries and wages allotment the actual expenditures and accrued obligations chargeable to such allotment for the period covered. The amount in the Salary Savings Ac-

count shall not be available for expenditure by transfer to future salary allotments without approval of the department upon showing by an agency of the actual need for such a transfer.

291.258 Approval of department required for establishment of new personnel position or classification. A new personnel position or classification, not provided in the budget of an agency upon which appropriations have been based, shall not be established without prior approval of the Department of Finance and Administration.

291.260 Approving, modifying or disapproving requests and budgets to be submitted to the Federal Government. Every state agency, when making requests or preparing budgets to be submitted to the Federal Government for funds, equipment, materials or services, other than for highway purposes, and purposes for which the state was legally committed on August 2, 1951, shall, upon completion of such request or budget, first submit it to the Department of Finance and Administration. The department shall have authority to approve, disapprove, modify or amend any such request or budget before it is submitted to the proper federal authority.

291.262 to 291.300 [Reserved for expansion]

EMERGENCY EXPENDITURES; EMERGENCY BOARD

291.302 [Repealed by 1953 c.386 §9]

291.304 [Repealed by 1953 c.386 §9]

291.306 [Repealed by 1953 c.386 §9]

291.308 [Repealed by 1953 c.386 §9]

291.310 [Repealed by 1953 c.386 §9]

291.312 to 291.320 [Reserved for expansion]

291.322 Definitions for ORS 291.322 to 291.334. As used in ORS 291.322 to 291.334:

(1) "Emergency" means any catastrophe, disaster or unforeseen or unanticipated condition or circumstance, or abnormal change of conditions or circumstances, affecting the functions of a state agency and the expenditure requirements for the performance of these functions.

(2) "State agency" means any elected or appointed officer, board, commission, department, institution, branch or other agency of the state government. [1953 c.386 §1]

291.324 Emergency Board created. There hereby is created a joint committee composed of members of both houses of the Legislative Assembly, to be known as the Emergency Board. [1953 c.386 §2]

291.326 Powers of Emergency Board concerning expenditures by state agencies. (1) The Emergency Board, during the interim between sessions of the Legislative Assembly, may exercise the following powers:

(a) Where an emergency exists, to allocate to any state agency, out of any emergency fund that may be appropriated to the Emergency Board for that purpose, additional funds beyond the amount appropriated to the agency by the Legislative Assembly, or funds to carry on an activity required by law for which an appropriation was not made.

(b) Where an emergency exists, to authorize any state agency to expend, from funds dedicated or continuously appropriated for the uses and purposes of the agency, sums in excess of the amount of the budget of the agency as approved in accordance with law.

(c) In the case of a new activity coming into existence at such a time as to preclude the possibility of submitting a budget to the Legislative Assembly for approval, to approve, or revise and approve, a budget of the money appropriated for such new activity.

(d) Where an emergency exists, to revise or amend the budgets of state agencies to the extent of authorizing transfers between expenditure classifications within the budget of an agency.

(2) No allocation, authorization or approval under paragraph (a), (b) or (c) of subsection (1) of this section shall be effective unless made at a meeting at which six members of the board were present. [1953 c.386 §3]

291.328 Emergency Board may require presentation of evidence to support requests for action; board to report its action to agencies concerned. Before the Emergency Board makes any allocation, grants any authorization or approves any budget under ORS 291.326, it may require the state agency in question to submit written evidence to justify the allocation, authorization or approval and may require the head of the agency to appear before it in support thereof. The Emergency Board may also require the Director of the Department of Finance and Administration to submit a written report as to the need and justification for the allocation, authorization or approval. Upon making

an allocation, granting an authorization or approving a budget, the Emergency Board shall file with the Department of Finance and Administration, the Secretary of State and the state agency in question a copy of the order of allocation, grant of authorization or approved budget. [1953 c.386 §4]

291.330 Composition of Emergency Board. The Emergency Board shall be composed of the President of the Senate, the Speaker of the House of Representatives, the chairmen of the Senate and House Ways and Means Committees, two members of the Senate, at least one of whom shall be a member of the Ways and Means Committee, to be appointed by the President of the Senate and confirmed by a majority of all the members elected to the Senate, and three members of the House, at least two of whom shall be members of the Ways and Means Committee, to be appointed by the Speaker and confirmed by a majority of all the members elected to the House. [1953 c.386 §5]

291.332 Meetings of board, terms of members, filling vacancies on board. (1) The Emergency Board shall meet immediately upon adjournment of each Legislative Assembly and elect a chairman from their number. The board shall meet thereafter at such times as it may determine.

(2) The term of members of the board shall run from the adjournment of one regular session to the organization of the next regular session.

(3) If a vacancy occurs in the board, either the Speaker, if the legislator previously filling the position was a member of the House, or the President, if the legislator previously filling the position was a member of the Senate, shall fill such vacancy by an appointment for the unexpired term. However, such appointment, before becoming effective, shall be confirmed by the remaining members of the board, sitting as such board. [1953 c.386 §6]

291.334 Payment of board's and board members' expenses; board authorized to secure assistance. (1) The members of the Emergency Board shall be reimbursed for their actual and necessary expenses incurred in performing their duties.

(2) The Secretary of State and Director of the Department of Finance and Administration, upon request of the board, shall furnish necessary assistance to the board, or the board may employ such assistance as they may deem necessary.

(3) The expenses of the board, the cost of employed assistance, and other necessary expenses of the board shall be paid out of funds appropriated to the board specially for such purpose or, if no such appropriation is made, out of any emergency fund that may be appropriated to the board. The Secretary of State shall audit and allow all such claims as have been approved by the chairman or other person authorized to approve claims and shall draw his warrants on the State Treasurer for the payment thereof in the same manner as other expenses are audited and paid. [1953 c.386 §7]

291.336 Appropriation bills requiring approval of Emergency Board before project commenced or contract let; how requirement met. (1) As used in this section, "appropriation bill" means a legislative Act which appropriates money or authorizes the expenditure of dedicated or continuously appropriated moneys or otherwise makes moneys available for expenditure.

(2) In all cases where an appropriation bill heretofore or hereafter passed provides that a state agency shall not commence any project or allow any contract to be let for any project without having the approval of the Emergency Board, such requirement may be met:

(a) During any period when the Legislative Assembly is in session, by the adoption of a resolution by each house approving the proposed action; or

(b) During any period when the Legislative Assembly is not in session, either by approval of the Emergency Board as provided in the appropriation bill, or by the elapse of 45 days without adverse action of the Emergency Board after notice of the proposed action has been given to each member of the Emergency Board at his last-known address. [1957 c.382 §1]

291.338 to 291.350 [Reserved for expansion]

STATE GENERAL FUND; OTHER STATE FUNDS

291.352 General Fund. Subject to ORS 291.356, the following moneys shall be placed by the State Treasurer to the credit of and shall constitute the General Fund of the State of Oregon:

(1) All moneys arising from direct taxation and paid into the State Treasury by the

several counties of the state.

(2) All moneys arising from the imposition of any license or other fees for permission to transact any business in the state and paid into the State Treasury by any person, firm or corporation.

(3) All moneys collected by any state officer, board, institution or commission or county officer for license or other fees exacted by law, and from sales of state products paid into the State Treasury.

291.354 Certain funds as part of General Fund. (1) All payments of money into the State Treasury by virtue of any statute providing for, creating, authorizing or continuing any of the funds enumerated in subsection (2) of this section shall be paid into and become a part of the General Fund.

(2) The following funds shall be a part of the General Fund:

(a) Board of Barber Examiners' Fund.

(b) Board of Dental Examiners' Fund.

(c) Corporation Fund.

(d) Forest Patrol Fund.

(e) Inheritance Tax Fund.

(f) Insurance Fund.

(g) Motor Vehicle Fund.

(h) Oregon State Veterinary Medical Fund.

(i) State Banking Fund.

(j) State Institutional Betterment Fund.

(k) State Library Contingent Fund.

(L) State Library School Library Fund.

(m) Tumalo Maintenance Fund.

(n) All other funds created by law which are not trust funds.

291.356 Moneys not to be credited to General Fund. The following moneys shall not be credited to the General Fund:

(1) Moneys paid into the State Treasury for fiduciary purposes.

(2) Moneys by law directed and required to be placed by the State Treasurer to the credit of:

(a) The Agricultural College Fund principal and the interest accruing from the investment thereof.

(b) The Burbank Trust Fund and the interest accruing from the investment thereof.

(c) The Common School Fund and the interest accruing from the investment thereof.

(d) The Industrial Accident Fund.

(e) The Segregated Accident Fund.

(f) The Thurston Monument Fund and the interest accruing from the investment thereof.

(g) The University Fund principal and the interest accruing from the investment thereof.

(h) The University of Oregon Villard Endowment Interest Fund.

(3) All sums received by the state from the Federal Government from forest reserves, rentals, sales of timber, and other sources from forest reserves.

(4) All sums received from the five percentum of sales of public lands and apportioned under ORS 271.610.

(5) Any other trust funds created by law.

291.358 Special fund dedication construed as an appropriation; when millage tax available. Where any law provides that the proceeds arising from the levy and collection of any millage tax or from any license or other fee exacted by law, or that the moneys derived from any source whatever other than those excepted in ORS 291.356 shall be paid into the State Treasury and by the State Treasurer placed to the credit of a special fund other than the General Fund to be used for carrying out the provisions of the particular statute creating and authorizing the same, or for any other purpose which may be authorized by law, the amount of any payments so made into the State Treasury, and the amount of any millage tax levy, shall, subject to ORS 291.238, constitute and be considered as and hereby are made an appropriation of such sums or amounts from the General Fund, for the purpose of carrying into full force and effect the specific provisions of the particular law exacting the payment of the same and providing for the payment thereof into the State Treasury, and in the same manner and to the same extent as provided in the specific provision of the particular law. The amount of any millage tax levy shall be available for the purpose for which it is levied on and after July 1 of the year when it is required to be paid into the State Treasury.

291.360 Secretary of State to make accounting entries and audit claims in connection with special dedicated funds. The Secretary of State shall, by appropriate entries made at monthly periods, credit the several objects with the amounts which may be received respectively from the several sources and audit and charge against the

same any claims incurred in pursuance of authority of law, in the same manner as is provided for the audit and payment of claims against the state.

291.362 State Treasurer to show source of moneys upon receipts therefor. The State Treasurer shall enter upon all receipts given by him for moneys paid into the State Treasury such necessary and detailed information as shall:

(1) Show the source from which the moneys are derived and enable the Secretary of State to credit the moneys to the object or to an account for the particular purpose for which the amount is applicable under the law.

(2) Permit of an appropriate accounting of the moneys.

291.364 Payment of warrants against certain special funds. All warrants issued against any special fund that is a part of the General Fund hereby are made payable out of the General Fund. Such payment shall be made by the State Treasurer to the holders of such warrants upon demand.

291.366 Interest on state funds. All interest received on deposits of state funds shall accrue to and become a part of the General Fund.

291.368 Portion of amounts collected for dedicated funds transferred to General Fund. (1) The ratable portions or percentages specified in ORS 291.372 of all moneys collected or received by the state officer, officers, activities, boards and commissions named in ORS 291.374 for fees, fines, licenses and taxes, or any thereof, all and every part of which is not by the statutes imposing or authorizing the same made a part of the General Fund available for the payment of the general expenses of the state, shall:

(a) Be transferred by the State Treasurer to and made a part of the General Fund available for the payment of the general expenses of the state if such moneys are paid to the State Treasurer by the officer, activity, board or commission; or

(b) Be paid to the State Treasurer by the officer, activity, board or commission receiving such moneys at the time when they are received by the officer, activity, board or commission if such moneys are authorized by law to be kept and disbursed other than by and through the State Treasurer, and be credited by the State Treasurer to and made a part of the General Fund available for the payment of the general expenses of the state.

(2) The payment and transfer to the General Fund required by subsection (1) of this section shall be made notwithstanding any law which appropriates such moneys or any of them to any other purpose or purposes, and such portion or percentage shall not be subject to any special use or uses thereby provided.

291.370 Treasurer's receipt. The State Treasurer in receipting for any of the moneys referred to in ORS 291.368 shall make his receipt in duplicate, showing the amount credited to the General Fund available for the payment of the general expenses of the state as well as the amount credited to any special fund. He shall file one of the duplicate receipts with the Secretary of State.

291.372 Amount to be transferred. The portion or percentage of the moneys required to be transferred to the General Fund available for the payment of the general expenses of the state pursuant to ORS 291.368 shall be 10 percent of all gross receipts of each of the officers, activities, boards and commissions, until the total of such respective gross receipts reaches $100,000 in any fiscal year. Thereafter for the remainder of such fiscal year the portion or percentage so transferred shall be three percent of all gross receipts received by the officer, officers, activities, boards and commissions, respectively.

291.374 Application of ORS 291.368. The officer, officers, activities, boards and commissions to which ORS 291.368 shall apply are as follows:

State Board of Accountancy.
State Board of Aeronautics.
State Board of Architect Examiners.
State Department of Agriculture:
State Department of Agriculture Account, excluding any portion of amounts credited thereto which are payable to the United States Department of Agriculture under any federal-state agreement.
State Banking Department.
State Board of Health:
Bedding and Upholstery Inspections.
Tourist Facilities Inspections.
Plumbers' Code Account.
Plumbers' Registration Fees Account.

Department of Sanitarians:
Sanitarian's Registration Account.
State Treasurer:
Bond Registrations.
State Board of Cosmetic Therapy Examiners.
State Board of Dental Examiners.
State Board of Engineering Examiners.
Bureau of Labor:
Pressure Vessel and Boiler Inspection Fees.
Electric Wiring Installation.
Elevator Inspection Fees.
Wage Collection Fees.
State Industrial Accident Commission:
Factory Inspection Receipts.
State Board of Massage Examiners.
Oregon State Board of Nursing.
State Board of Examiners in Optometry.
State Board of Pharmacy.
State Board of Pilot Commissioners.
Public Utility Commissioner:
Public Utility Commissioner Account.
State Board of Veterinary Medical Examiners.
Fish Commission of Oregon:
Seal Fund.
Superintendent of Public Instruction:
Vocational School License Account.
Oregon Board of Examiners in Watchmaking and Clockmaking.
Real Estate Department.
[Amended by 1955 c.133 §1; 1955 c.672 §1; 1957 c.460 §1]

291.376 Appropriation from General Fund to constitute a credit only. An appropriation of any sum of money from the General Fund by any law shall not be considered as segregating or setting aside the amount of such appropriation from the moneys constituting the General Fund, but shall be considered and construed as constituting a credit in favor of the appropriation for the amount stated in the law making the appropriation, subject to allotment as provided in ORS 291.232 to 291.260.

291.378 Borrowing to pay warrants against General Fund. If the moneys in the General Fund become exhausted, the State Treasurer shall borrow from the most advantageous sources the amounts necessary to pay all warrants drawn against the General Fund by the Secretary of State in pursuance of law. The Governor, Secretary of State and State Treasurer, jointly, shall issue certificates of indebtedness therefor. The certificates shall draw interest not to exceed the legal rate of interest until redeemed. All certificates of indebtedness shall be redeemable by the State Treasurer from the first moneys regularly accruing and credited to the General Fund.

291.380 Proceeding when warrants not paid for want of funds. If the General Fund becomes exhausted after the State Treasurer has borrowed the moneys as provided in ORS 291.378 and has made the transfers of surplus funds as provided in ORS 291.402 to 291.410, the State Treasurer shall, if the Governor, Secretary of State and State Treasurer deem it necessary or advisable and so direct, indorse on the warrants drawn on the General Fund, the words "Not paid for want of funds," and the State Treasurer shall register the warrants by number and by date according to the order in which they have been presented for payment. All warrants so indorsed and registered shall thereafter become payable consecutively according to the order of registration and shall draw interest payable from the General Fund, until called for payment by the State Treasurer, at the rate of five percent per year. As funds for the payment of the warrants and of the interest thereon become available, the State Treasurer shall give notice of the calling of the warrants for payment by one publication in a newspaper printed and published in Salem, Oregon.

291.382 to 291.400 [Reserved for expansion]

TRANSFERS TO STATE FUNDS HAVING INSUFFICIENT MONEY

291.402 Definitions. As used in ORS 291.402 to 291.410:

(1) "Borrowing fund" means the fund to which money is initially transferred under ORS 291.404.

(2) "Lending fund" means the fund from which money is initially transferred under ORS 291.404.

291.404 Transfer and retransfer of money and credit among state funds. If there is insufficient money to the credit of any fund in the State Treasury to pay the obligations against such fund and there is money to the credit of one or more other state funds which is not then required to meet the respective obligations against such funds, the State Treasurer shall transfer so much as he deems advisable of such money

standing to the credit of the funds having excess money to the fund having insufficient money if there are or will be moneys accruing to the borrowing fund or which can be transferred to it in like manner, as provided in this section, to enable a retransfer to be made of such moneys to the credit of the lending funds from which they were so transferred in time to meet the requirements of the lending funds; but unless conditions are such at the time when the original transfer of moneys is considered as to make sure that such retransfer can be so made, the original transfer shall not be made. All such transfers of moneys from lending to borrowing funds shall be retransferred to the lending funds when or before they are needed in the lending funds.

291.406 Evidencing transfers and retransfers by bookkeeping accounts and receipts. All transfers from lending to borrowing funds under ORS 291.404 shall be evidenced by proper bookkeeping accounts and by receipts made in triplicate by the State Treasurer to the credit of the lending funds. One receipt shall be kept by the State Treasurer, one shall be delivered to the Secretary of State and one shall be sent to the department for whose use the lending fund is maintained. All retransfers shall be evidenced in like manner.

291.408 Interest on transferred moneys or credits. All moneys or credits transferred under ORS 291.404 shall bear interest at the rate of two percent per year until they are retransferred, payable from and out of the borrowing funds. All such interest shall be paid into and become part of the General Fund.

291.410 Construction of ORS 291.402 to 291.408. ORS 291.402 to 291.408 shall not be construed as an appropriation Act and no appropriation made for any purpose shall be exceeded or increased by reason of any of the provisions of such sections, nor shall any budgetary designation be altered or affected by such sections.

291.412 to 291.430 [Reserved for expansion]

RECEIVING, HANDLING AND DISBURSING STATE FUNDS

291.432 Secretary of State to act as state fiscal officer. The Secretary of State shall superintend the fiscal concerns of the state and manage the same in the manner prescribed by law. He shall suggest plans for the improvement and management of the public revenues.

291.434 Collection of moneys, property and goods due to state; compensation of attorneys. (1) The Secretary of State shall:

(a) Direct and superintend the collection of all moneys due to the state.

(b) Examine and settle the accounts of all persons indebted to the state and certify the amount or balance to the State Treasurer.

(c) Require every person who has received any money, property or goods belonging to the state and who has not accounted therefor to settle their accounts and to return the property or goods to the state.

(2) All accounts against delinquents, certified by the Secretary of State under seal of the State of Oregon, shall be received in evidence in any court in this state.

(3) Any attorney employed by the Secretary of State in behalf of the state shall be entitled to receive as compensation 10 percent of all moneys collected by such attorney in pursuance of this section. Such compensation shall be audited and paid the same as other accounts against the state.

291.436 Moneys collected to be turned over to State Treasurer; statement of sources and purposes. It shall be the duty of the officer or other person or agent collecting, receiving, in possession of, or having the control of any state money or other funds, contributions or donations collected or received by, and to be expended by or on behalf of the state under the approval or supervision of any state officer, board, commission, corporation, institution, department or other state organization, recognized by the laws of this state and having the power to collect and disburse state funds, to turn over all such moneys mentioned in this section collected or received by or on account of such state officer, board, commission, corporation, institution, department or other state organization, to the State Treasurer forthwith. The turnover shall be accompanied by a detailed statement of the sources and purposes of all the funds.

291.438 Receipt for and crediting moneys deposited under ORS 291.436; interest. (1) The State Treasurer shall issue a receipt for the moneys deposited with him pursuant to ORS 291.436 and shall place

all moneys so deposited, except money which forms all or part of any private donation or contribution, in the General Fund to the credit of appropriate accounts or to the credit of other funds designated by law.

(2) All money deposited with the State Treasurer which forms all or part of any private donation or contribution shall be placed by the State Treasurer in a separate trust fund for the use and benefit for which such donation or contribution was made.

(3) All interest, if any, earned by the trust fund shall inure to the benefit of the trust fund.

291.440 Disbursement of moneys. Disbursements of the moneys transferred or deposited pursuant to ORS 291.436 shall be made only on the warrant of the Secretary of State issued in payment of authorized claims and expenses, as provided by law. Disbursements of moneys so deposited, which were placed in separate trust funds, shall be made only on the warrant of the Secretary of State issued in payment of any claims or expenses authorized by the proper officers of the board, commission, corporation, institution, department, office or other state organization for whose benefit the trust fund was created.

291.442 Application of ORS 291.436 to 291.440. Except as otherwise provided by law, ORS 291.436 to 291.440 do not apply to:

(1) State funds advanced to meet payrolls or to pay current expenses or emergency claims.

(2) Federal funds the control of which is otherwise directed by federal law or regulation.

(3) Funds of any state institution of higher learning.

291.444 Receipts for money received; crediting by Secretary of State. (1) The State Treasurer shall give receipts for all moneys paid to him.

(2) Before the delivery of the receipts, the receipts shall be presented to the Secretary of State who shall:

(a) Countersign the receipts.

(b) Record in a book, to be kept by him for that purpose, all receipts for any money paid to the treasurer and enter them in his books to the credit of the county officer or person making the payment.

(c) Charge the receipts to the State Treasurer.

(3) No such receipt shall be evidence of payment unless countersigned by the Secretary of State.

291.446 to 291.460 [Reserved for expansion]

291.462 Allowing claims against the state; drawing warrants for payment. (1) Subject to subsections (2) and (3) of this section, the Secretary of State shall:

(a) Examine and determine the claims of all persons, firms or corporations against the state if provision for the payment of the claim has been made by law.

(b) Indorse upon the claim the amount due and allowed and from what fund the claim is to be paid.

(c) Draw a warrant upon the treasury for the amount allowed.

(2) The Secretary of State may, in his discretion, refuse to audit any claim or account presented to him for audit and allowance, unless such claim or account is:

(a) Certified as true and correct by the claimant, person, firm or corporation or his or its representative; and

(b) Presented in the form prescribed by the Secretary of State.

(3) No claim shall be allowed and no warrant drawn until services have actually been rendered, or goods, wares, merchandise or other articles have actually been delivered to and received by the state or its duly authorized agent. [Amended by 1957 c.138 §1]

291.464 Auditing claims arising from legislative appropriations; drawing warrants for payment. Unless otherwise specifically specified by law, the Secretary of State shall audit all duly approved claims lawfully incurred in pursuance of any legislative appropriation and shall draw his warrants on the State Treasurer in payment thereof.

291.466 Accounts presented for settlement; evidence as to justness. Whenever any account is presented to the Secretary of State for settlement, he may require the person presenting the account, or any other person or persons, to be sworn before him touching such account and, when so sworn, to answer orally or in writing as to any facts relating to the justness of the account.

291.468 Reference of secretary's decision to legislature. If any person interested is dissatisfied with the decision of the Secretary of State on any claim, account or credit, the Secretary of State, at the request of

such person, shall refer the same, with his reasons for his decision, to the Legislative Assembly; but no claim shall be referred after the twentieth day from the commencement of the Legislative Assembly, except as may be directed by the Ways and Means Committee of either the Senate or House of Representatives.

291.470 Limitation period for exhibiting claims; set-off in actions by state. (1) All persons having claims against this state shall exhibit the claim, with the evidence in support thereof, to the Secretary of State to be audited, settled and allowed within two years, and not afterwards.

(2) In all suits brought in behalf of the state, no debt or claim shall be allowed against the state as a set-off unless the debt or claim has been exhibited to the Secretary of State, and allowed or disallowed by him, except only in cases where it is proved to the satisfaction of the court that the defendant, at the time of trial, is in possession of vouchers which he could not produce to the Secretary of State because of absence from the state, sickness, or unavoidable accident.

291.472 Designation of officer to approve voucher claims. All boards, commissions, officers and heads of departments of the state authorized to approve voucher claims for indebtedness or expenses may designate the secretary, or some officer of each board or commission, or some representative or deputy of such officer or head of department who is under bond to the State of Oregon to approve voucher claims, provided that the indebtedness or expense has been theretofore authorized by such board, commission, officer or head of department. Such board, commission, officer or head of department shall file with the Secretary of State a statement designating such secretary, officer, representative or deputy together with a sample of the designated person's signature.

291.474 Drawing warrants; necessity of appropriation; effect of Department of Finance and Administration denying expenditure. (1) No warrant shall be drawn by the Secretary of State in payment of any claim against the state unless an appropriation has first been made for the payment thereof.

(2) The Secretary of State shall not draw a warrant for the payment of any claim or voucher against the appropriation of any agency in any case where the proposed expenditure has been denied by the Department of Finance and Administration and written notice thereof transmitted by the department to him.

291.476 Keeping record of warrants. The Secretary of State shall enter in a book to be kept for that purpose an abstract of all warrants drawn on the State Treasury, showing the name of the claimant, the date, number and amount of the warrant and the fund from which the warrant is to be paid.

291.478 Use of mechanical device by Secretary of State to affix signature. The Secretary of State may in his discretion use any mechanical equipment or device to affix his signature to any state warrant or check drawn on the State Treasurer. The State Treasurer is authorized to honor such warrants or checks when presented for payment.

291.480 Use of facsimile signatures by state officers and employes. (1) When authorized to use facsimile signatures by the administrative head of any state agency, any person authorized to sign any check, warrant or other instrument on behalf of the state agency may, in his discretion, sign the check, warrant or other instrument by facsimile signature affixed by rubber stamp or by any mechanical equipment or device.

(2) Where the use of facsimile signatures is authorized under this section, the holder or drawee of any check, warrant or other instrument bearing or purporting to bear a facsimile signature shall be under no duty to determine the authority of the person who affixed the facsimile signature to use facsimile signatures. [1955 c.261 §2]

291.482 to 291.490 [Reserved for expansion]

291.492 Paying out funds by State Treasurer. The State Treasurer shall:

(1) Pay, on demand, out of the State Treasury, all sums authorized by law to be so paid, if there are appropriate and sufficient funds in the treasury to pay the same, and when such sum is required to be paid out of a particular fund, it shall be paid out of such fund only.

(2) Pay all warrants drawn on the treasurer in the order in which the warrants are presented out of the appropriate fund.

(3) Pay no fund out of the treasury ex-

cept in pursuance of law authorizing the payment thereof.

291.494 Depositing warrants paid with Secretary of State. On or before the fifteenth day of each month, the State Treasurer shall deposit with the Secretary of State all warrants drawn by the Secretary of State which have been paid by the treasurer during the calendar month next preceding, taking the receipt of the Secretary of State therefor.

291.496 Receipts for warrants; filing; crediting treasurer and charging funds. (1) The Secretary of State shall receipt to the State Treasurer for all warrants deposited.

(2) After comparing the amounts paid with the amounts called for in the abstract of warrants, the Secretary of State shall:

(a) File the warrants in his office.

(b) Give the treasurer credit for the amount found to have been paid.

(c) Charge the several funds with the amounts disbursed.

291.498 Furnishing copy of schedule of disbursements. The State Treasurer shall furnish the Secretary of State monthly a duplicate copy of his schedule of disbursements.

291.500 Unpaid warrants over seven years old; listing annually. On September 1 of each year, the Secretary of State shall prepare a list of all unpaid warrants which have been issued for a period of more than seven years prior to July 1 of the year such list is prepared, as shown by the register and abstract of warrants in his office, and which have not been returned to him with the lists of paid warrants furnished to him by the State Treasurer.

291.502 Publishing notice to present warrant for payment. The Secretary of State shall, after preparing the list of warrants required by ORS 291.500, cause to be published in a newspaper printed in and having a general circulation throughout the state, once each week, for four consecutive weeks, a notice that if not presented for payment at the office of the State Treasurer within 60 days from the date of the first publication of the notice, the warrants shall be declared void and payment thereon refused.

291.504 Refusing payment after 60 days from publication. On the date of the first publication of the notice provided for in ORS 291.502, the Secretary of State shall furnish to the State Treasurer a copy of the notice, together with the list of unpaid warrants required by ORS 291.500. The State Treasurer, after 60 days from the first publication of the notice, shall refuse payment on the warrants enumerated in the list.

291.506 Canceling and declaring void warrants more than seven years old. Upon the return of the paid warrants by the State Treasurer to the Secretary of State, the Secretary of State shall cancel the paid warrants upon the records of his office, and all warrants appearing thereon as unpaid for a period of more than seven years prior to July 1 preceding the publication of the notice required by ORS 291.502, shall likewise be canceled and declared void and the liability of the state thereunder declared ended.

291.508 Authority of state agencies to make refunds; moneys held for refund, adjustment or payment to claimants; deposit with treasurer; drawing checks. (1) As used in ORS 291.508 to 291.514, "agency" means any state officer, department, commission or institution.

(2) When any agency determines that moneys have been received by it in excess of the amount legally due and payable to the agency or that it has received moneys to which it has no legal interest, the agency upon application made within the time provided by law, or within three years from the date the money was paid to the agency if no time is provided by law, shall refund the excess or erroneous payment to the person who made the payment or to his legal representative, and such moneys hereby are continuously appropriated for such purpose.

(3) Unless otherwise provided by law, any agency having in its possession any moneys held for refund or payment to claimants or distributees, or for determination or adjustment of license fees or of other amounts due the state, may, with the consent of the State Treasurer and in accordance with such regulations as he may prescribe, deposit such funds in designated accounts with the State Treasurer and make lawful payments or adjustments therefrom to proper claimants or distributees, by checks or orders drawn on the State Treasurer signed by the officer or administrative head of the agency depositing such funds. [Amended by 1957 c.332 §1]

291.510 Preparation by agency of list of checks outstanding more than seven years; preparation of list by treasurer. (1) On August 1 of each year, the agency that maintains an account pursuant to ORS 291.508 or that maintained a similar account under OCLA 90-314, or any other law, shall prepare from its records and certify to the Secretary of State and to the State Treasurer a list of all checks or orders drawn by it that have been outstanding for a period of more than seven years prior to July 1 next preceding, and that have not been paid by the State Treasurer.

(2) The State Treasurer likewise shall prepare and present to the Secretary of State a list of checks issued by the State Treasurer that have been outstanding for the like period.

(3) The lists shall not include checks or orders that already have been paid pursuant to indemnity bonds.

291.512 Unpresented checks; transfer of amounts. After 60 days from August 1, the State Treasurer shall refuse payment of the unpresented checks or orders enumerated in the lists referred to in ORS 291.510, and, after notification to the agency and to the Secretary of State, shall transfer and credit the amounts of the unpresented checks or orders, respectively to the General Fund for general state purposes, or to the fund charged with the warrant for the payment of which, in whole or in part, directly or indirectly, the check or checks were issued, or to the special fund from which disbursement was made by warrant for the purpose of paying the checks or orders. In each instance the State Treasurer shall issue his official receipt for the amount so transferred or credited.

291.514 Recourse of owners of checks. The lawful owner of any check or order included in any list referred to in ORS 291.510, not presented to the State Treasurer for payment within the 60 days next following August 1, thereafter may file the check or order, with the Secretary of State, as a claim for reference to the Legislative Assembly in the manner provided by ORS 291.468.

291.516 Surrender of warrants and certificates of indebtedness upon payment. (1) As used in ORS 291.516 to 291.524:

(a) "Instrument" means a warrant, certificate of indebtedness, check or order, issued by the state, or by any board, department, commission or officer of the state.

(b) "Subdivision" means any county, municipal corporation, quasi-municipal corporation, or civil or political subdivision in this state.

(2) Subject to ORS 291.518, no instrument shall be paid until such instrument is surrendered and delivered to the officer charged with the payment thereof, contemporaneously with payment or prior thereto.

291.518 Indemnity bonds in case of lost, stolen or destroyed instruments. (1) An instrument may be paid without surrender or delivery thereof if the one claiming to be the lawful owner of the instrument:

(a) Satisfies the officer by whom payment is to be made that the instrument has been lost, stolen or destroyed prior to his having received value therefor or having negotiated the instrument; and

(b) Furnishes a bond of indemnity for twice the amount of the lost instrument with two or more sureties qualifying as in the case of sureties for bail, to protect the issuing officer or body, the officer making the payment, and the rightful owner of the lost instrument against any loss or expense, including interest or other liability resulting from such payment.

(2) Bonds like the bonds required by subsection (1) of this section, with penalties in the face amount of lost instruments, of insurance companies duly licensed to transact the business of surety within the State of Oregon may be accepted in lieu of personal bonds.

291.520 Issuance of duplicate instrument. Upon satisfactory showing by the Federal Government, or by this state, or by a subdivision, or by any duly constituted agency or officer thereof, of the loss, destruction or theft of an instrument lawfully issued in favor of the Federal Government, or of this state, or of a subdivision or any former subdivision now included within another subdivision, by consolidation or otherwise, or of any duly constituted agency thereof, such subdivision being lawfully entitled thereto, the proper officer, board, department or commission that issued the original instrument, or his or its duly authorized legal successor, may issue a duplicate in lieu thereof without the furnishing by the Federal Government or by the state or by the subdivision, or by any officer or

agency thereof, of an indemnity bond as required by ORS 291.518. The issuing officer may, in his discretion, require an affidavit or certificate from the proper officer or employe of the Federal Government, state or subdivision, as the case may be, reciting the facts with respect to the loss, theft or destruction of the instrument.

291.522 Adoption of uniform procedure for issuing duplicate instruments. After notice to the State Treasurer, state officers, boards, departments or commissions lawfully issuing checks or orders upon the State Treasurer may adopt the uniform procedure of issuing and delivering to all parties entitled thereto duplicate checks or orders to replace those lost, stolen or destroyed, if bonds of the character required by ORS 291.518, protecting the state, the issuing officer, or the issuing board, department or commission, and the State Treasurer, and the rightful owner of the lost check or order, are furnished the issuing officer, board, department or commission; but duplicate state warrants, other than those issued under authority of ORS 291.520, shall not be so issued.

291.524 Effect of wrongful payment; liability of officer. When any instrument is paid, other than as authorized by ORS 291.516 to 291.522, such wrongful payment shall not relieve the political body issuing the instrument from liability to the true and lawful owner thereof; but the officer or person making such wrongful payment and the sureties on his official bond, if any, shall be responsible to the political body represented by him in making such payment, for the full amount of the loss occasioned thereby.

291.526 Payment upon death of person entitled to moneys from state if estate not probated. (1) Except as otherwise directed by law, upon the death of any person entitled to payment of moneys in the State Treasury or on deposit with a state agency or officer, if his estate is not to be probated, the State Treasurer or the state agency or officer authorized to disburse such funds may pay or cause to be paid such moneys due, as provided in subsection (2) of this section. Except as to payment of salary or wages due a deceased state officer or employe from the State of Oregon, no payment thereunder shall be made in excess of $500.

(2) Payment authorized by subsection (1) of this section shall be made in the following order:

(a) To the surviving spouse of the decedent.

(b) If there be no surviving spouse, then to the children of the decedent, or to their legal guardian if they are minors.

(c) If there be no surviving spouse or surviving children of decedent, then to his surviving parent or parents. [Amended by 1955 c.316 §1]

291.528 Proceedings for payment. (1) Payment as authorized by ORS 291.526 may be made only upon receipt by the State Treasurer or other state officer authorized to disburse moneys due the decedent of an affidavit from the surviving spouse, or, if there is no spouse, from the surviving children of lawful age and from the guardian of the surviving children who are minors, or, if the decedent was unmarried or left no surviving children, from his surviving parent or parents, that:

(a) The decedent died testate or intestate, as the case be.

(b) His estate will not be probated.

(c) The aggregate sums due him from the State of Oregon except for salary or wages do not exceed the principal sum of $500.

(d) The relationship of the claimant to the decedent is that of surviving spouse, child or parent, as the case may be; and that there is no survivor of the decedent whose relationship to the decedent precedes that of the claimant in the order stated in subsection (2) of ORS 291.526.

(e) The expenses of last illness and funeral of decedent will be paid out of the moneys so paid by the State Treasurer or other disbursing officer, to the full amount thereof, if necessary.

(2) The State Treasurer or other officer making disbursement shall be under no obligation to determine the relationship of the claimant to the decedent. The payment of the amount due such decedent, made in good faith to the claimant, shall constitute a full acquittance and release of the State Treasurer or other disbursing officer for the amount so paid.

(3) In the event that a warrant, check or order has been lost, stolen or destroyed, the proper survivors, as specified in ORS 291.526, may obtain payment of the amount thereof by filing with the State Treasurer or other disbursing officer an indemnity bond,

as provided by ORS 291.518. [Amended by 1955 c.316 §2]

291.530 Probate proceedings unnecessary; accounting to administrator. It shall not be necessary to institute probate proceedings to establish the right of any of the surviving parties named in ORS 291.526 to collect the amounts due the decedent under ORS 291.526 and 291.528; but if, after payment of such amounts, the estate of the decedent is probated, the person receiving the moneys due the decedent shall account therefor to the administrator of the estate of the decedent. [Amended by 1955 c.316 §3]

291.532 Receipt and disposition of moneys received from Federal Government in lieu of ad valorem property taxes. The State Treasurer shall receive any moneys that may be paid to the state by the United States, or any agency thereof, in lieu of ad valorem property taxes, and shall retain or transfer to the respective county treasurers the moneys so received in compliance with the annual apportionment made by the State Tax Commission.

291.534 Apportionment among counties of moneys received from Federal Government from forest reserves. (1) All sums received by the state from the United States Government as its distributive share of the amounts collected by the United States Government for forest reserve rentals, sales of timber, and other sources from forest reserves within the State of Oregon, shall, upon receipt, be distributed among the several counties in which such forest reserves are located.

(2) The Secretary of State shall ascertain from the proper United States officers having the records of receipts from forest reserves, the amount of receipts from each forest reserve in this state for each year for which money is received by the state. A separate account shall be kept of the sum received from each forest reserve, which sum shall be paid only to the county or counties in which the forest reserve is located. Each county shall receive such proportional amount of the sum as the area of the forest reserve included within the boundaries of the county bears to the total area of the forest reserve within the state. The Secretary of State shall in all cases when possible make all computations upon the net areas of such forest reserves according to the data furnished by the federal officials.

291.536 Apportionment among counties of moneys received from Federal Government under Mineral Leasing Act; Federal Mineral Leases Fund. (1) All funds received from the United States Government by the State of Oregon as its distributive share of the amounts collected under the provisions of the Act of Congress of February 25, 1920, 41 Stat. 450, known as the Mineral Leasing Act, and any Act amendatory thereof, shall upon receipt by the State Treasurer be credited to a special fund in the State Treasury to be known as the Federal Mineral Leases Fund and shall be distributed to the counties in which such leased public lands are located.

(2) The Secretary of State shall ascertain from the proper United State officers having the records of receipts from the sources in this state for which money is received by the State of Oregon and shall segregate and pay over by warrant to the county in which the leased public mineral land is located the sums so received. Where the leased public mineral land is located in more than one county of the state, each shall receive such proportionate amount of the sum as the area of the leased public mineral land included within the boundary of the county bears to the total area of the leased public mineral lands within the state.

291.538 Apportionment among counties of moneys received from Federal Government under Federal Flood Control Act; Federal Flood Control Leases Fund. (1) All funds received from the United States Government by the State of Oregon as its distributive share of the amounts collected under the Federal Flood Control Act and Acts amendatory thereof and supplemental thereto, shall upon receipt by the State Treasurer be credited to a special fund in the State Treasury to be known as the Federal Flood Control Leases Fund and shall be distributed to the counties in which the leased flood control lands from which such funds were derived are located.

(2) The Secretary of State shall ascertain from the proper United States officers having the record of receipts from such sources, the names of the counties in which the leased flood control lands from which such funds have been received are located, and shall segregate and pay over the sums by warrant to such counties. If such lands are located in more than one county, each

shall receive an amount proportionate to the area of the leased land within the county.

291.540 Distribution of funds received under the Taylor Grazing Act. All funds received from the United States Government as a distributive share of the amounts collected by the United States Government under the provisions of the Act of Congress of June 28, 1934, public document No. 482, known as the Taylor Grazing Act, and any Act amendatory thereof shall, upon receipt, be distributed to the several counties in which such public lands are located. The Secretary of State shall ascertain from the proper United States officers, having the records of receipts from grazing permits and leased public lands, the amount of receipts from such sources in this state for each year for which money is received by the state. A separate account shall be kept of the sum received from each grazing district and lease of public lands, which sum shall be segregated by the Secretary of State and paid to the county in which the grazing district or leased public land is located. However, where the grazing district or leased public land is located in more than one county, each shall receive such proportional amount of the sum as the area of such grazing district or leased public land included within the boundary of such county shall bear to the total area of such grazing district or lease. [Formerly 606.220]

291.548 Agency petty cash fund. (1) If the appropriation for an agency or the limitation on expenditures of an agency, as enacted by the Legislative Assembly, includes an amount for a petty cash fund, the fund shall be established and administered as provided in this section.

(2) The agency for which a petty cash fund has been authorized may prepare a voucher in the amount authorized in favor of a person designated by the agency as custodian of its petty cash fund. The Secretary of State shall draw a warrant for the amount of the voucher payable out of moneys appropriated for the expenditures of the agency. The designated custodian shall credit the amount of the warrant to the petty cash fund.

(3) The designated custodian may make disbursements from the petty cash fund only when it is necessary to make an immediate cash payment which is lawfully payable from moneys appropriated to the agency.

(4) The designated custodian shall periodically submit to the Secretary of State for audit verified reimbursement vouchers properly supported by evidences of disbursements from the petty cash fund. Upon audit and allowance of the reimbursement vouchers the Secretary of State shall issue his warrant on the State Treasurer, in favor of the designated custodian, payable out of moneys appropriated for the expenditures of the agency.

(5) All requests for the establishment of petty cash funds under this section shall be reviewed by the Secretary of State and the Department of Finance and Administration. [1957 c.139 §§1, 2]

291.550 [Reserved for expansion]

ACCOUNTING AND FISCAL REPORTING

291.552 Fiscal year. (1) The fiscal year of this state shall commence on July 1 and close on June 30 of each year. All the accounts of the Secretary of State and State Treasurer shall be kept and all duties of those officers shall be performed with reference to the beginning and end of the fiscal year.

(2) Whenever it is provided by law that any action or proceeding of the state shall be taken with respect to a budget or tax levy for the calendar year, or for a fiscal year closing on any day other than June 30, each such action or proceeding shall be taken with respect to the fiscal year commencing on July 1 and closing on June 30.

291.554 Accounts of Secretary of State. The Secretary of State shall:

(1) Keep fair, clear, distinct and separate accounts of all the funds and revenues of the state, and also of all expenditures, disbursements and investments thereof, showing the particulars of every expenditure, disbursement and investment.

(2) Keep an account between the state and the State Treasurer, and therein charge the treasurer with the balance in the treasury when he came into office, and with all moneys received by him, and credit him with all moneys paid by him pursuant to law.

(3) Keep and state all accounts between this state and the United States and all other accounts in which the state is interested.

291.556 Accounts of State Treasurer. The State Treasurer shall keep in books provided for that purpose, fair, full and sepa-

rate accounts of all moneys received and disbursed by him.

291.558 Accounting system for state agencies. The Department of Finance and Administration shall devise and install modern and complete accounting systems for state agencies, utilizing wherever practicable the assistance of the Secretary of State and agency fiscal officers. The department shall supervise, and from time to time revise and modify accounting systems to the end that all revenues, expenditures, receipts, disbursements, resources, obligations and property of the state are properly, accurately and systematically classified and accounted for and that there are obtained accurate records, reports and statements of all the financial affairs of the state. Actions so taken shall be subject to the audit authority vested by law in the Secretary of State.

291.560 Financial and statistical reports of state agencies. The Department of Finance and Administration may require prompt periodic and special financial and statistical reports from all state agencies upon forms prescribed by the department.

291.562 Examination of agency records and financial affairs. For the purposes of carrying out its duties, powers and functions, the Department of Finance and Administration may examine the records, files, documents, accounts and financial affairs of any state agency, and shall have the right of access for that purpose. During business hours the department may examine the accounts of any state agency in any depository which has state funds in its custody.

291.564 Monthly account of and payment by custodians of state property. All persons, state institutions, commissions, commissioners, departments, boards, and state officers or agents, handling or having the custody or control of any property belonging to the state or to any state institution, board, commission, or department, shall account for and pay over to the State Treasurer monthly all moneys received from the income or rents of such property or from the sale and disposition of surplus products, useless and condemned property, with a verified itemized statement of the source from which the moneys were derived; but this section shall not be construed to include the funds belonging to educational institutions derived from tuition, matriculation or other fees charged students.

291.566 Statements to be rendered to Secretary of State. The Secretary of State shall from time to time require all persons receiving moneys or securities, or having the disposition or management of any property of the state, of which an account is kept in his office, to render statements thereof to him. All such persons shall render such statement at such time and in such form as the Secretary of State requires.

291.568 Date for closing accounts by persons who must make annual accounts. All officers and persons required to render annual accounts to the Secretary of State or State Treasurer shall close these accounts on June 30 of each year.

291.570 Reports to include list of persons rendering professional and special services and their compensation. All state departments, boards and commissions shall include in their biennial or other reports, required by law, a complete list of all attorneys, engineers and others rendering professional or special services, and also the compensation and expense allowance of each during the period covered by the report.

291.572 Period covered by biennial reports. The biennial reports of all the state officers, boards, commissions and commissioners required to be made to the Governor, the Secretary of State or the Legislative Assembly, shall include all the transactions of such departments, boards, commissions or commissioners to and inclusive of June 30 of the year next preceding the regular session of the Legislative Assembly.

291.574 Biennial report to legislature by Secretary of State. The Secretary of State shall include in his biennial report to the legislature at the commencement of each regular session a tabular statement showing:

(1) The purpose of each appropriation or fund for the preceding biennial period or term.

(2) The law authorizing or fixing the amount of the appropriation or fund.

(3) The amount of the appropriation or fund with accrued receipts.

(4) The amount thereof expended.

(5) The unexpended balance, if any, specifying each object of expenditure and

distinguishing between those provided for by permanent and temporary appropriations and those that must be provided for by biennial appropriations.

291.576 Filing and making public, information concerning current and anticipated financial condition of state. Twenty days prior to any election at which any legislative or constitutional measure involving the raising or expenditure of funds by the state is to be submitted to the people of the state by initiative or referendum, and in any event, 20 days prior to each regular general biennial election, there shall be filed in the office of the Secretary of State and made public, a condensed, understandable and impartial statement showing the anticipated state General Fund requirements, revenues and balances under existing laws for the whole of the fiscal biennium then current. There shall be attached to any such statement an exhibit containing a brief, understandable and impartial written explanation of:

(1) The statement for the biennium then current.

(2) The fiscal changes anticipated for the following biennium.

(3) Other matters deemed desirable to advise the public of the current and anticipated condition of the finances of the state. Each statement and exhibit shall be prepared and certified by the Department of Finance and Administration and the State Tax Commission and approved by the Oregon State Board of Control.

291.578 Determining date of filing or receipt of reports, claims, tax returns or remittances. Any report, tax return, remittance to cover a payment or claim for credit or refund required by law to be filed with or made to the state or to a state agency, which is:

(1) Transmitted through the United States mail, shall be deemed filed or received on the date shown by the postoffice cancelation mark stamped upon the envelope containing it, or on the date it was mailed if proof satisfactory to the state or state agency establishes that the actual mailing occurred on an earlier date.

(2) Lost in transmission through the United States mail, shall be deemed filed and received on the date it was mailed if the sender:

(a) Can establish by competent evidence satisfactory to the state or state agency that the report, tax return, remittance or claim for credit or refund was deposited on the date due for filing in the United States mail and addressed correctly to the state or state agency; and

(b) Files with the state or state agency a duplicate of the lost report, return, remittance or claim within 30 days after written notification is given by the state or state agency of its failure to receive such document or remittance. [Amended by 1955 c.251 §1]

291.580 to 291.600 [Reserved for expansion]

INVESTING STATE FUNDS; STATE BOND COMMISSION

291.602 State Bond Commission. There is established a State Bond Commission to consist of the Governor, State Treasurer and one member of the State Industrial Accident Commission, who shall be selected by said commission, and who shall serve without pay. The Chief Deputy State Treasurer shall be ex officio secretary of the commission and, for his services as such, shall be paid such annual salary as shall be determined and fixed by the commission.

291.604 Investing designated funds. The State Bond Commission shall invest, as provided by law:

(1) Funds of the Segregated Accident Fund.

(2) Funds of the Industrial Accident Fund.

(3) Funds of the Restoration Fund.

(4) Funds in the hands of the State Treasurer that are not required to meet current demands.

(5) Funds under the control of the State Land Board.

(6) Other state funds which are not subject to the control and administration of other boards or bodies specifically designated by law.

(7) Funds derived from the sale of state bonds. [Amended by 1957 c.371 §1]

291.606 Approved investments. Subject to ORS 291.608, the State Bond Commission, in its discretion, may invest any of the funds mentioned in ORS 291.604 in the following classes of securities, and not otherwise:

(1) Interest-bearing bonds, notes or obligations of the United States of America, or of those for which the faith of the United States is pledged for payment of the principal and interest.

(2) Lawfully issued interest-bearing bonds, warrants or certificates of indebtedness of the State of Oregon or in any other lawfully issued interest-bearing obligations payable from funds or revenues of the State of Oregon.

(3) Interest-bearing bonds, notes, or warrants of any county, port or school district in this state, or of any city in this state with a population of 500 or more and an assessed valuation of $250,000 or more, the net indebtedness of which county, port, school district, or city, after deducting funds applicable to the payment thereof, does not exceed any limitation applying thereto; provided, that indebtedness for public purposes throughout the area comprised by the particular subdivision, other than indebtedness payable solely from assessments and indebtedness of self-supporting utilities, shall not exceed 18 percent of the latest assessed valuation of such subdivision.

(4) Interest-bearing bonds issued by any city in this state for gas, water, power, lighting, or sewage disposal plants or sewers and their appurtenances, without limitation as to ratio of indebtedness to assessed valuation; provided, that such bonds are the general obligation bonds of the city issuing them and that the public utility or project for which they were issued, for a period of three years next preceding the date of investment, has been wholly self-supporting without a tax levy therefor and that such city has a population of 500 or more, according to the federal census, and an assessed valuation of $250,000 or more, and that the revenues of such utility or project other than for payment of operation and maintenance expenses are pledged wholly to the payment of the interest on and principal of the outstanding indebtedness of such utility until such indebtedness is fully liquidated. General obligation bonds of communities incorporated under ORS chapters 264 and 478, that do not have an indebtedness in excess of the statutory limitation therefor, and general obligation bonds of cities which were issued for utility purposes and which qualify under subsection (3) of this section, also shall qualify for investment under this subsection.

(5) Bonds, notes, or other obligations of Federal Land Banks, of Federal Intermediate Credit Banks, and of Federal Home Loan Banks.

(6) Bonds and mortgages insured by the Federal Housing Administrator, and obligations of national mortgage associations. [Amended by 1953 c.706 §2; 1957 c.371 §2]

291.608 Investment in certain defaulted bonds prohibited. The bonds referred to in subsections (3) and (4) of ORS 291.606 may be purchased only if there has been no default for more than 90 days in payment of either the principal of or interest on any of the obligations of the particular civil subdivision for a period of three years next preceding the date of such investment; but a default in the payment of the principal of and interest on bonds of cities, other than of municipal utilities, shall not preclude the purchase of such utility bonds, if they otherwise qualify for investment under ORS 291.602 to 291.620 and have not been so in default. For the purposes of this section, default shall not be considered to exist or to have existed in the past if the owners or holders of not to exceed two percent of the par value of the bonds embraced in a refinancing plan promulgated by the state have failed, for more than three years from the effective date of the plan, to exchange their bonds for the corresponding bonds of the refunding issue or issues offered under the plan.

291.610 Opinion of bond attorney or Attorney General. In the purchase of bonds with which approving legal opinions ordinarily are furnished, the State Bond Commission may require an original or certified copy of the written opinion of a reputable bond attorney or attorneys, or the written opinion of the Attorney General, certifying to the legality of such bonds.

291.612 Investment of State Treasury funds. Investments made pursuant to ORS 291.602 to 291.620, of funds in the hands of the State Treasurer not required to meet current demands and of funds derived from the sale of bonds of the State of Oregon pending disbursement for the purpose for which the bonds were issued, shall consist only of obligations described in subsection (2) of ORS 291.606, or of obligations of the United States or those for which the faith of the United States is pledged for the payment of principal and interest, or of obligations described in subsection (5) of ORS 291.606.

All obligations, with fixed maturity dates, purchased under authority of this section, shall mature within one year from the date of the investment. [Amended by 1953 c.706 §2; 1957 c.371 §3]

291.613 Conflicting laws superseded. The provisions of ORS 291.604, 291.606 and 291.612 shall supersede the provisions of all conflicting laws. [1957 c.371 §4]

291.614 Custody of securities. (1) All securities purchased by the State Bond Commission pursuant to ORS 291.602 to 291.612, except those bought for the State Land Board, forthwith shall be placed in the hands of the State Treasurer. The State Treasurer, as the custodian of such securities, may deposit with the fiscal agency in the city and state of New York or with a bank in Portland, Oregon, with the consent of such agency or bank, such of the securities as he considers advisable, to be held in safekeeping by the agency or bank for collection of the principal thereof and the interest thereon, or of the proceeds of sale thereof.

(2) The State Treasurer, with the approval of the State Land Board, may deposit with the agency or bank, under like consent and for like purposes, securities purchased with funds under the control and administration of the State Land Board.

291.616 Disposition of principal and interest collections and proceeds of sale of securities. The State Treasurer shall collect the interest on and the principal of the securities in his custody as the obligations become due and payable, and shall pay the same, when so collected, into the fund from which the purchase was made. With the approval of the State Treasurer, the fiscal agency may deposit to his credit with the fiscal agency, the amounts of principal and interest collections and the proceeds of sale of securities; and the commission may reinvest such amounts, and the State Treasurer may transfer to state depositories sums not reinvested. The fiscal agency shall charge the account with the sums so reinvested or transferred. The deposits shall be on a parity with those authorized by ORS 288.010 to 288.110. Interest received from investments of funds not required to meet current demands shall be credited to and become part of the General Fund; but the State Bond Commission shall keep the funds specifically mentioned in ORS 291.604 invested as fully as is consistent with the cash requirements of those funds.

291.618 Default in payment of principal or interest; proceedings, adjustments and compromises. In the event of default in the payment of the principal of or interest on any investments made under authority of ORS 291.602 to 291.620, or of any other law pursuant to which the bonds, notes, certificates or warrants in which state funds were invested are in the custody of the State Treasurer or of the State Land Board, the State Bond Commission may institute the proper proceedings to collect the matured principal or interest, or the State Bond Commission may accept for exchange purposes refunding bonds or other evidences of indebtedness at interest rates to be agreed upon between the commission and the obligor. In case the bonds held by the State Treasurer as an investment of any of the funds mentioned in ORS 291.604 are a part of a larger amount to be refunded, the State Treasurer may accept deposits of bonds of the same obligor from other bondholders to be exchanged for refunding bonds. The cost of effecting the exchange of bonds for other bondholders shall be paid by such other bondholders or by the civil subdivision whose bonds are to be exchanged. The State Bond Commission may make such compromises, adjustments or disposition of the past-due interest upon, or the principal of any such investments as are in default as to payment of such interest or principal, or may make such compromises or adjustments as to future payments of interest upon or the principal of such investments, as the commission deems advisable for the purpose of protecting the funds invested.

291.620 Sale or exchange of investments. The State Bond Commission, in its discretion, may sell any of the investments, or accept in exchange for any of the bonds, notes, certificates, coupons or warrants representing the investments, such other bonds, notes, certificates, coupons, warrants or other evidences of indebtedness of municipal corporations or taxing districts in Oregon as, in the judgment of the commission, will improve the quality of the investments.

291.622 [Repealed 1953 c.530 §2]

291.624 [Repealed 1953 c.530 §2]

291.626 to 291.628 [Reserved for expansion]

291.630 Holding and disposing of corporate stock. (1) Under authority of section 6, Article XI of the Oregon Constitution, the state, subject to subsection (2) of this section, may hold and dispose of the stock of any company, association or corporation, including stock already received, that is donated or bequeathed.

(2) The state, including any of its agencies having control of any stock described in subsection (1) of this section, in holding or disposing of such stock, shall be governed by ORS 128.020 to 128.050, notwithstanding the date of acquisition of such stock. Moneys received from the disposition of such stock, including dividends, hereby are appropriated continuously for the purposes of the donation or bequest. However, the state or any of its agencies may not purchase stock. [1957 c.330 §1]

291.632 to 291.650 [Reserved for expansion]

PROPERTY CONTROL; SURPLUS PROPERTY; FURNISHING SERVICES TO STATE AGENCIES

291.652 Inspection, appraisal and inventory of state property; reports by state agencies. The Department of Finance and Administration may provide for the periodical inspection and appraisal of state property, real and personal, and for keeping current and perpetual inventories thereof, and may require any state agency to make reports of the real and personal property in its custody at such intervals and in such form as it may deem necessary.

291.654 Leasing of state property. The Department of Finance and Administration may lease, with approval of the Governor, any state property, real or personal, not needed for public use, and the leasing of which is not prohibited by law, where the authority to lease such property is not vested in any other state agency. No property shall be leased under the provisions of this section for a term exceeding four years.

291.656 Sale, transfer to or between state agencies, of surplus, obsolete and unused supplies, materials and equipment. (1) The Department of Finance and Administration may transfer to or between state agencies (including, at their option, the courts and the constitutional state officers), or sell, supplies, materials and equipment which are surplus, obsolete or unused.

(2) All proceeds derived from the disposal of property under the authority of this section, except such particular proceeds as may not under federal laws or regulations be deposited in the manner provided by this section, may be deposited in the State Treasury to the credit of the miscellaneous receipts account established pursuant to ORS 291.678 for the agency the property of which has been sold. [Amended by 1953 c.60 §5; 1957 c.202 §2]

291.658 Furnishing by state agency to another state agency of services, facilities and materials; services, facilities or materials furnished to other persons. (1) Subject to rules prescribed by the Department of Finance and Administration, any state agency shall, as its own facilities permit, furnish to any other state agency such services (including labor), facilities and materials as are requisitioned by the head of another agency. The expense shall be charged to the agency served, which shall pay the expense to the agency furnishing the services, facilities or materials in the manner other claims are paid. Agencies shall, as far as practicable, cooperate with one another in the use of services, quarters and equipment.

(2) All moneys received by an agency in payment of services, facilities or materials furnished to another state agency as provided in this section, or in payment of services, facilities or materials furnished to other persons may be, or if required by the Department of Finance and Administration, shall be paid into the State Treasury for deposit to the credit of the miscellaneous receipts account established pursuant to ORS 291.678 for the agency furnishing the services, facilities or materials.

(3) The constitutional state officers, unless prohibited by law, may elect to furnish services, facilities and materials to one another and to state agencies and officers as defined in ORS 291.002, and the courts and constitutional state officers may elect to requisition services, facilities and materials as provided in this section. [Amended by 1953 c.59 §2; 1957 c.202 §3]

291.660 Central telephone, mail and messenger service for state agencies. The Department of Finance and Administration shall maintain and operate a central telephone service for the state agencies located in Salem and Portland. The department may operate central mail or messenger services for agencies located in Salem or Portland,

where it would be economical so to do. The cost of maintaining and operating any central telephone exchange or switchboard, or intercity trunk line, or the cost of mail and messenger services, may be advanced out of the Purchasing Revolving Fund and the cost thereof charged to the appropriation allotments of the various agencies.

291.662 Central repair and maintenance services; salvage of office equipment. The Department of Finance and Administration may operate central repair and maintenance services for the general repair and servicing of office equipment belonging to the various state agencies. The cost of such services may be advanced out of the Purchasing Revolving Fund and shall be charged to the appropriation allotments of the various agencies. It shall also be the function of the department to salvage office equipment, in so far as is practicable and economical. Salvaged equipment shall be disposed of in accordance with ORS 291.656.

291.664 Clerical and stenographic pool services. The Department of Finance and Administration, where it would be economical so to do, may provide clerical and stenographic pool services as needed for unusual work demands of state agencies above the normal demands that can be met by their permanent staffs. The cost of such services may be advanced out of the Purchasing Revolving Fund and the cost thereof charged to the appropriation allotments of agencies utilizing such services.

291.666 Disposition of moneys received as payment for repair or replacement of damaged, destroyed, lost or stolen property. All moneys received from insurers and other sources as payment for the cost and expense of repair and replacement of property of state agencies which has been damaged, destroyed, lost or stolen, except such particular moneys as may not under federal law or regulations be deposited in the manner provided by this section, may be deposited in the State Treasury to the credit of the miscellaneous receipts account established pursuant to ORS 291.678 for the agency whose property has been damaged, destroyed, lost or stolen. [1953 c.61 §1; 1957 c.202 §4]

291.668 [1953 c.61 §2; repealed by 1957 c.202 §6]

291.670 State agency may establish agency service unit. Subject to rules prescribed by the Department of Finance and Administration, any state agency may establish a service unit within the agency to furnish to other units of such agency the services, facilities and materials that the service unit is established to provide. The expenses of the service unit shall be charged to the units served and the amounts so charged shall be credited to the miscellaneous receipts account established pursuant to ORS 291.678 and hereby are appropriated continuously for expenditure by the state agency subject to the allotment system provided by ORS 291.234 to 291.260. [1957 c.202 §7]

291.678 Miscellaneous receipts accounts. The State Treasurer is authorized to establish a miscellaneous receipts account for any state agency and shall credit to such account any amounts paid into the State Treasury pursuant to ORS 291.656, 291.658 or 291.666 by the state agency for which such account was established. The moneys credited to the miscellaneous receipts account of a state agency established pursuant to this section hereby are appropriated continuously for the payment of the expenses of such agency, subject to the allotment system provided by ORS 291.234 to 291.260. [1957 c.202 §1]

291.680 to 291.700 [Reserved for expansion]

CONTROL AND REGULATION OF STATE-OWNED MOTOR VEHICLES

291.702 Definition. As used in ORS 291.702 to 291.722, "passenger motor vehicles" includes supplies, parts and equipment for the operation, maintenance or repair of such motor vehicle units.

291.704 Control and regulation of state-owned passenger motor vehicles. The Department of Finance and Administration shall control and regulate the acquisition, operation, maintenance and disposal of passenger motor vehicles used for state business by state agencies.

291.706 Establishing motor pools. The department shall establish a motor pool for the common use of state agencies located in Salem, and may establish in the state such subsidiary pools under the direct control or under the supervision of a state agency as may be found necessary.

291.708 Transfer to pool or sale of vehicles not required by state agencies. (1)

The department shall study and ascertain the present needs for passenger vehicles and shall authorize transfer to the pool or the sale of vehicles found not to be required by state agencies.

(2) Where any vehicle so transferred from any agency was purchased by the agency from a dedicated fund or trust fund, an amount equal to the current market value of the vehicle shall be paid the agency or shall be entered upon the accounts of the Automotive Control Revolving Fund as a credit in favor of the agency from which the vehicle was transferred, and any charges thereafter made to such agency, pursuant to ORS 291.720, for transportation furnished to the agency, shall be offset against such credit until the entire amount of the credit has been utilized.

291.710 Acquiring motor vehicles by department; assignment to state agencies. The department shall have authority to acquire passenger motor vehicles by purchase or transfer and all motor vehicles transferred to or purchased for the department shall become a "motor pool" from which, upon requisition and proper showing to the department of need and use for official state business only, there may be assigned suitable transportation, either on a temporary or permanent basis, to any state agency.

291.712 Department responsible for motor vehicles under its control. The Department of Finance and Administration shall direct and be responsible for the acquisition, operation, maintenance, storage, repair and replacement of state motor vehicles under its control. The department shall utilize all state facilities available for the maintenance, repair and storage of such motor vehicles.

291.714 Storage, repair and maintenance facilities; interagency agreements. The department may arrange, by agreement with agencies, for the utilization by one of the storage, repair or maintenance facilities of another, with such provision for charges and credits as may be agreed upon. Any such agreement to which the department is not a party shall be subject to the approval of the department. The department may acquire and maintain storage facilities for the motor vehicles under its control.

291.716 Rules and regulations; keeping records. The department may adopt rules and regulations necessary for the efficient and economical operation, maintenance, repair and replacement of all state passenger motor vehicles, and shall require the keeping of such records of costs and operations and the making of such reports as will enable the exercise of proper cost controls.

291.718 Use of privately-owned vehicles. The use of privately-owned vehicles shall be permitted where necessary, subject to regulations established by the department.

291.720 Automotive Control Revolving Fund. (1) There is established a revolving fund to be known as the Automotive Control Revolving Fund, which fund hereby is appropriated continuously for and shall be used solely for the acquisition, operation, storage, maintenance, repair and replacement of motor vehicles under the control of the department, the payment of insurance premiums as provided in ORS 278.090 and payment of the administrative expenses of the department in connection with the operation of the motor pool and of the revolving fund. The type of motor vehicles purchased shall be limited to the most appropriate economical models. At the end of each month the department shall render a statement, on a basis of mileage or rental, to all state agencies to which transportation has been furnished, and all amounts due shall be credited to the Automotive Control Revolving Fund and shall be a charge against the appropriation allotments of the agencies involved. Any proceeds from the sale or other disposition of used vehicles owned by the department shall be credited to the Automotive Control Revolving Fund. Administrative costs in connection with the operation of the motor pool and the revolving fund shall be included in the computation of the rental or mileage charge to the agencies to which transportation is furnished.

(2) The director may establish a petty cash fund in the amount of $100 as part of the Automotive Control Revolving Fund, and may authorize designated persons to make disbursements from the petty cash fund in any case where it is necessary to make an immediate cash payment which is payable from the Automotive Control Revolving Fund. Disbursements from the petty cash fund shall be made only by the persons so designated in payment of claims authorized by law. When the person designated by the

director from time to time files with the Secretary of State verified vouchers covering disbursements from the petty cash fund, accompanied by an itemized statement showing in detail the names of the persons to whom and the purposes for which such disbursements were made as authorized by this subsection, the Secretary of State shall issue his warrants on the State Treasurer payable out of the Automotive Control Revolving Fund in favor of the person designated by the director. The payments of such warrants shall be credited to the petty cash fund. The verified vouchers covering disbursements shall bear the approval of the individual designated by the director. [Amended by 1953 c.603 §4; 1955 c.46 §1]

291.722 Report to legislature. The department shall furnish to the Legislative Assembly at each regular session a statement showing the financial condition of the Automotive Control Revolving Fund, an inventory of all motor vehicles under the control of the department and state agencies and such other information regarding the motor vehicle transportation system as is necessary for a proper understanding of the operation of such system and of the financial condition of the fund.

291.724 State-owned vehicles to be marked; exceptions. (1) Any state department or institution owning or operating automobiles or trucks shall have printed or painted in plain lettering of a size so as to be readily read the name of the department or institution owning or operating the vehicle, followed by the words "State of Oregon."

(2) A vehicle need not be marked as required by subsection (1) of this section and need bear only such license plates as are required on privately-owned vehicles if:

(a) In the opinion of the Director of the Department of Finance and Administration, the marking of the vehicle as required by subsection (1) of this section would unduly hinder the department or institution owning or operating the vehicle in carrying out its duties and functions; and

(b) The Department of Finance and Administration has approved in writing the operation of the particular vehicle without being marked as required by subsection (1) of this section. [Amended by 1955 c.260 §1]

291.726 Driving state-owned vehicles for private purposes prohibited. No person shall drive, operate or use, or authorize or permit any person to drive, operate or use, any automobile, motor truck or other motor or horsedrawn vehicle owned by the state for any private purpose.

291.728 to 291.980 [Reserved for expansion]

PENALTIES

291.990 Penalties. (1) (a) Any person who makes or orders or votes to make any expenditure in violation of any of the provisions of this Act, or who makes or authorizes or causes to be made any disbursement of funds from the State Treasury in violation of any of the provisions of this Act, shall, upon conviction, be punished by a fine of not less than $500 nor more than $3,000.

(b) If any person incurs or orders or votes to incur an obligation in violation of any of the provisions of this Act, he and the sureties on his bond shall be jointly and severally liable therefor to the person in whose favor the obligation was incurred.

(c) Upon certification by the Department of Finance and Administration that any state officer or employe of a state agency has failed or refused to comply with any order, rule or regulation made by the department in accordance with the provisions of this Act, the Secretary of State shall refuse to audit and pay the salary of such officer or employe until such order, rule or regulation is complied with.

(d) Any violation of this Act, for which no other penalty is provided in this section, is punishable, upon conviction, by a fine of not more than $1,000.

(e) As used in this subsection, the phrase "this Act" means ORS 291.002 to 291.020, 291.202 to 291.222, 291.232 to 291.260, 291.376, subsection (2) of ORS 291.474, ORS 291.558 to 291.562, 291.652 to 291.664, and 291.702 to 291.724.

(2) Any person, official or state agent violating ORS 291.436 to 291.442 or failing to comply with any of the requirements of those sections within the time provided shall be liable on his official bond and shall, upon conviction thereof, be punished by a fine not exceeding $1,000 or by imprisonment in the county jail for a period not exceeding one year, or both.

(3) In addition to civil liability, violation of ORS 291.564 is punishable, upon conviction, by a fine of not less than $25 nor more

than $500 and the costs of the prosecution, and by imprisonment in the county jail until the fine and costs are paid, not exceeding one day for every $2 of such fine and costs.

(4) Violation of ORS 291.726 is punishable, upon conviction, by a fine of not less than $25 nor more than $100. [Amended by 1953 c.530 §2; 1955 c.260 §2]

CERTIFICATE OF LEGISLATIVE COUNSEL

Pursuant to ORS 173.170, I, Sam R. Haley, Legislative Counsel, do hereby certify that I have compared each section printed in this chapter with the original section in the enrolled bill, and that the sections in this chapter are correct copies of the enrolled sections, with the exception of the changes in form permitted by ORS 173.160 and other changes specifically authorized by law.

Done at Salem, Oregon,
on December 2, 1957.

Sam R. Haley
Legislative Counsel