

**REVENUE:** May have revenue impact, statement not yet issued

**FISCAL:** May have fiscal impact, statement not yet issued

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| <b>Action:</b>        | Do Pass and Be Referred to the Joint Committee on Ways and Means by prior reference |
| <b>Vote:</b>          | 9 - 0 - 0   |
| <b>Yeas:</b>          | Clem, Dallum, Greenlick, Komp, Krummel, Lim, Roblan, Whisnant, Buckley              |
| <b>Nays:</b>          | 0   |
| <b>Exc.:</b>          | 0   |
| <b>Prepared By:</b>   | Derrick Olsen, Administrator  |
| <b>Meeting Dates:</b> | 4/09 (Subcommittee on Higher Education), 4/11                                       |

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**WHAT THE MEASURE DOES:** Appropriates moneys from General Fund to Department of Higher Education for capital construction. Limits for six-year period beginning July 1, 2007, payment of expenses from bond proceeds and other revenues, including federal funds, collected or received by Department of Higher Education for capital construction within Department of Higher Education and by Department of Community Colleges and Workforce Development for capital construction at community colleges. Sets expiration date on project approvals and expenditure limitations. Establishes accounts related to issuance of general obligation bonds under Article XI-G of Oregon Constitution. Authorizes State Treasurer, at request of State Board of Education, to issue bonds under Article XI-G of Oregon Constitution for capital construction at community colleges. Declares emergency, effective July 1, 2007.

**ISSUES DISCUSSED:**

- Child Development Center at Mt. Hood Community College (MHCC); MHCC \$2.5 million matching funds
- Science and Health Project at Linn-Benton Community College
- Permanent campus for Klamath Community College
- McMinnville campus for Chemeketa Community College
- Oregon University System (OUS) capital projects; deferred maintenance projects
- Lack of classroom/laboratory space at community colleges/OUS institutions
- Article XI-G Bonds
- Difficulty of getting community college bond measures passed under double majority requirement

**EFFECT OF COMMITTEE AMENDMENT:** No amendment.

**BACKGROUND:** HB 3345 is a Department of Higher Education/Department of Community Colleges and Workforce Development capital construction bill. HB 3345 is similar to SB 5516 (Governor's Recommended Budget Bill), which the Senate Finance and Revenue Committee gave a do pass as amended recommendation and referred to the Joint Ways and Means Committee by prior reference. However, HB 3345 adds the following institutions to the list of community colleges with accounts established related to the issuance of general obligation bonds under Article XI-G of the Oregon Constitution: Chemeketa Community College McMinnville campus (\$6,203,700), Klamath Community College permanent campus (\$7,500,000), and the Mt. Hood Community College Child Development Center (\$2,500,000). HB 3345 also lists the Article XI-G bond account for Linn-Benton Community College as a Science and Health Project for \$3,750,000 rather than as a Library and Student Services Renovation for \$3,500,000 as in SB 5516.

HB 3345 has a subsequent referral to the Joint Ways and Means Committee.

4/24/2007 5:40:00 PM

*This summary has not been adopted or officially endorsed by action of the committee.*