B-Engrossed Senate Bill 5516

Ordered by the Senate June 24 Including Senate Amendments dated April 17 and June 24

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SUMMARY

The following summary is not prepared by the sponsors of the measure and is not a part of the body thereof subject to consideration by the Legislative Assembly. It is an editor's brief statement of the essential features of the

[Sets forth legislative recommendations regarding capital investment in state, including recommendations for calculating General Fund supported debt capacity level and lottery supported debt.]

Appropriates moneys from General Fund to Department of Higher Education for capital con-

struction.

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.

Modifies specified limitations on expenditures by Department of Higher Education.

Declares emergency, effective July 1, 2007.

A BILL FOR AN ACT

Relating to state financial administration; creating new provisions; amending ORS 351.532 and sections 2 and 11, chapter 725, Oregon Laws 2003, and sections 2 and 27, chapter 787, Oregon Laws 2005; appropriating money; limiting expenditures; and declaring an emergency.

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

SECTION 1. The State Board of Higher Education shall determine the capital renewal, code compliance and safety projects to be undertaken with moneys made available under section 2 (1) of this 2007 Act on the basis of the board's determination of the most critical deferred maintenance needs. In determining the deferred maintenance needs, the board shall give priority to projects that protect the health and safety of occupants and maintain the structural integrity of facilities.

SECTION 2. Notwithstanding any other law limiting expenditures, the following amounts are established for a six-year period beginning July 1, 2007, as the maximum limit for payment of expenses under this section from bond proceeds and other revenues, including federal funds, collected or received by the Department of Higher Education, for the acquisition of land, improvements to land and the acquisition, planning, constructing, altering, repairing, furnishing and equipping of buildings, facilities and other projects within the Department of **Higher Education:**

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1 2 3 4 5 6 7 8	(1) Department of Higher Education	Article XI-G Bonds	Article XI-F(1) Bonds	Lottery Bonds	Energy Loans	COPs	Other Revenues (including Federal Funds)
10	Capital renewal, code						
11	compliance and safety		20,000,000	50,000,000			13,100,000
12	(2) Western Oregon University	itv	20,000,000	30,000,000			10,100,000
13	(a) New student residence		11,250,000				
14	(b) Business, Math and Com	puter	, ,				
15	Science Facility Project	2,500,000					500,000
16	(c) Humanities and Social	, ,					,
17	Science Deferred Maintena	nce/					
18	Seismic Tier II	984,500			1,074,000		1,080,000
19	(3) Eastern Oregon Universi	ty					
20	Inlow Hall Deferred						
21	Maintenance/Seismic						
22	Tier I	1,312,000			3,618,000		
23	(4) Oregon State University						
24	(a) National Wave Energy						
25	Research Center	1,500,000					3,000,000
26	(b) Goss Stadium expansion						4,500,000
27	(c) Apperson Hall						4,000,000
28	(d) OSU Dining Center						
29	Renovation: Arnold						
30	Catering		3,500,000				
31	(e) Cross Country Track		3,000,000				
32	(f) Athletics/Academic						
33	Center		1				
34	(g) Boathouse remodel		3,000,000				
35	(h) Gill Coliseum renovation	·	20,000,000				
36	(i) Mouse Model Organism						
37	Facility						1,500,000
38	(j) Intramural Field						
39	Synthetic Turf Project						3,250,000
40	(k) Pauling Research and						
41		31,256,035					31,256,035
42	(L) Nash Hall Deferred						
43	Maintenance/Seismic						
44	Tier II	3,776,000			6,824,000		1,198,000
45	(m) Building rewiring					5,000,000	

1	(5) Portland State University	ity				
2	(a) Parking expansion					
3	(block 189 development)		12,000,000	 		
4	(b) Student housing and					
5	land acquisition		1	 		
6	(c) Peter Stott Center					
7	gym expansion		8,500,000	 		
8	(d) Retail development		1	 		
9	(e) Walk of the Heroines					
10	Project			 		1,800,000
11	(f) PCAT Redevelopment					
12	Project	10,000,000	42,000,000	 		19,000,000
13	(g) Campus fiber expansion	1				
14	and telecom facility upgra	ides		 	1,000,000	
15	(h) Science Research and	Feaching				
16	Center/Hazardous Waste					
17	Facility	9,500,000		 		9,500,000
18	(i) Lincoln Hall Deferred					
19	Maintenance/Seismic					
20	Tier I	8,616,000		 11,986,000		
21	(j) Science Building II					
22	Deferred Maintenance/					
23	Seismic Tier II	7,658,500		 10,992,000		
24	(6) University of Oregon					
25	(a) Riverfront Research					
26	Park Multitenant					
27	Building		19,250,000	 		
28	(b) Riverfront Research					
29	Park building purchase		14,373,000	 		
30	(c) New student housing		1	 		
31	(d) Food service upgrade		1,000,000	 		
32	(e) Gilbert/Peterson Hall					
33	phase 3			 		6,000,000
34	(f) Oregon State Museum					
35	of Anthropology			 		3,500,000
36	(g) Integrative Science					
37	Complex, Phase 2	30,000,000		 		35,000,000
38	(h) Fenton Hall Deferred					
39	Maintenance/Seismic					
40	Tier I	2,480,500		 3,111,000		
41	(i) Classroom and laborator	ry				
42	upgrades			 	5,000,000	
43	(j) Hayward Field	2,500,000		 		2,500,000
44	(7) Oregon Institute of					
45	Technology					

Center for Health				
Professions	5,500,000		 	 14,500,000
(8) Project Reserves		1,810,397	 	 1,969,007

SECTION 3. Notwithstanding any other law limiting expenditures, the following amounts are established for a six-year period beginning July 1, 2007, as the maximum limit for payment of expenses under this section from bond proceeds and other revenues, including federal funds, collected or received by the Department of Community Colleges and Workforce Development, for the acquisition of and improvements to land and the acquisition, planning, constructing, altering, repairing, furnishing and equipping of buildings and facilities at community colleges:

14				
15				Other
16				Revenues
17			Article	(including
18			XI-G	Federal
19			Bonds	Funds)
20				
21	(1)	Central Oregon Community College		
22		-Science and Allied Health		
23		Instructional Building	5,778,000	5,778,000
24	(2)	Chemeketa Community College		
25		-Classroom and Health Sciences	5,625,000	5,625,000
26	(3)	Clackamas Community College		
27		-Allied Healthcare Center of Excellence	5,156,250	5,156,250
28	(4)	Lane Community College		
29		-Health and Wellness Building	6,750,000	6,750,000
30	(5)	Linn-Benton Community College		
31		-Science Center Expansion and Renovation	3,731,250	3,731,250
32	(6)	Mt. Hood Community College		
33		-Child Development Center	2,500,000	2,500,000
34	(7)	Oregon Coast Community College		
35		-Expansion - Aquarium South		
36		County and Central Campus Land Purchase	3,000,000	3,000,000
37	(8)	Portland Community College		
38		-Educational Center	7,500,000	7,500,000
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SECTION 4. Notwithstanding any other provision of this 2007 Act, the bond proceeds and other revenues, including federal funds, the expenditures from which are limited by section 2 of this 2007 Act, are not available for expenditure before the effective date of this 2007 Act. However, any action taken by the State Board of Higher Education prior to the effective date of this 2007 Act or any contract entered into by the board prior to the effective date of this

2007 Act necessary for the acquisition of and improvements to land and the acquisition, planning, constructing, altering, repairing, furnishing and equipping of buildings and facilities authorized by this 2007 Act is hereby authorized.

SECTION 5. (1) The project approvals and expenditure limitations in this 2007 Act, and the expenditure limitations established by the Emergency Board during the biennium beginning July 1, 2007, for capital construction or acquisition projects of the Department of Higher Education and of the Department of Community Colleges and Workforce Development for community colleges, expire on June 30, 2013, unless otherwise noted or unless changed by the Legislative Assembly.

- (2) The project approvals and expenditure limitations established by section 2 (3)(h), (4)(f) and (5)(g), chapter 845, Oregon Laws 2001, for capital construction or acquisition projects of the Department of Higher Education expire on June 30, 2009, unless otherwise changed by Legislative Assembly.
- (3)(a) The project approvals and expenditure limitations established by section 2 (5)(f) of this 2007 Act are in lieu of the project approvals and expenditure limitations adopted by the Emergency Board during the 2005-2007 biennium for the Department of Higher Education for the Portland State University PCAT Redevelopment Project.
- (b) Any action taken by the State Board of Higher Education prior to the effective date of this 2007 Act or any contract entered into by the board prior to the effective date of this 2007 Act necessary for the acquisition of and improvements to land and the acquisition, planning, constructing, altering, repairing, furnishing and equipping of buildings and facilities for the PCAT Redevelopment Project that was within the project approvals and expenditures limit authorized by the Emergency Board during the 2005-2007 biennium is hereby authorized.
- SECTION 6. (1) Pursuant to Article XI-G of the Oregon Constitution and ORS 286.031 to 286.061 and 351.345, the State Board of Higher Education may sell, with the approval of the State Treasurer, general obligation bonds of the State of Oregon of the kind and character and within the limits prescribed by Article XI-G of the Oregon Constitution, as the board determines, but in no event may the board sell more than the aggregate principal sum of \$131,604,535 par value for the biennium beginning July 1, 2007. The moneys realized from the sale of the bonds shall be appropriated and may be expended for the purposes set forth in section 2 (3)(h), chapter 845, Oregon Laws 2001, and in section 2 (6)(h) and (7)(e), chapter 787, Oregon Laws 2005, and section 2 (2)(b) and (c), (3), (4)(a), (k) and (L), (5)(f), (h), (i) and (j), (6)(g), (h) and (j) and (7) of this 2007 Act and for payment for capitalized interest and costs incidental to issuance of the bonds.
- (2) In compliance with the requirements of Article XI-G of the Oregon Constitution, funds available under the expenditure limitation for bonds issued pursuant to Article XI-G of the Oregon Constitution in section 2 (2)(b) of this 2007 Act are matched with the General Fund appropriations made under sections 10 (7) and 11 of this 2007 Act.
- (3) In compliance with the requirements of Article XI-G of the Oregon Constitution, funds available under the expenditure limitation for bonds issued pursuant to Article XI-G of the Oregon Constitution in section 2 (2)(c) of this 2007 Act are matched with the General Fund appropriation made under section 10 (8) of this 2007 Act.
- (4) In compliance with the requirements of Article XI-G of the Oregon Constitution, funds available under the expenditure limitation for bonds issued pursuant to Article XI-G of the Oregon Constitution in section 2 (3) of this 2007 Act are matched with the General

Fund appropriation made under section 10 (1) of this 2007 Act.

- (5) In compliance with the requirements of Article XI-G of the Oregon Constitution, funds available under the expenditure limitation for bonds issued pursuant to Article XI-G of the Oregon Constitution in section 2 (4)(a) of this 2007 Act are matched with the General Fund appropriation made under section 10 (3) of this 2007 Act.
- (6) In compliance with the requirements of Article XI-G of the Oregon Constitution, funds available under the expenditure limitation for bonds issued pursuant to Article XI-G of the Oregon Constitution in section 2 (4)(k) of this 2007 Act are matched with the General Fund appropriation made under section 12 of this 2007 Act.
- (7) In compliance with the requirements of Article XI-G of the Oregon Constitution, funds available under the expenditure limitation for bonds issued pursuant to Article XI-G of the Oregon Constitution in section 2 (4)(L) of this 2007 Act are matched with the General Fund appropriation made under section 10 (2) of this 2007 Act.
- (8) In compliance with the requirements of Article XI-G of the Oregon Constitution, funds available under the expenditure limitation for bonds issued pursuant to Article XI-G of the Oregon Constitution in section 2 (5)(f) of this 2007 Act are matched with the General Fund appropriation made under section 17 of this 2007 Act.
- (9) In compliance with the requirements of Article XI-G of the Oregon Constitution, funds available under the expenditure limitation for bonds issued pursuant to Article XI-G of the Oregon Constitution in section 2 (5)(h) of this 2007 Act are matched with the General Fund appropriation made under section 13 of this 2007 Act.
- (10) In compliance with the requirements of Article XI-G of the Oregon Constitution, funds available under the expenditure limitation for bonds issued pursuant to Article XI-G of the Oregon Constitution in section 2 (5)(i) of this 2007 Act are matched with the General Fund appropriation made under section 10 (4) of this 2007 Act.
- (11) In compliance with the requirements of Article XI-G of the Oregon Constitution, funds available under the expenditure limitation for bonds issued pursuant to Article XI-G of the Oregon Constitution in section 2 (5)(j) of this 2007 Act are matched with the General Fund appropriation made under section 10 (5) of this 2007 Act.
- (12) In compliance with the requirements of Article XI-G of the Oregon Constitution, funds available under the expenditure limitation for bonds issued pursuant to Article XI-G of the Oregon Constitution in section 2 (6)(g) of this 2007 Act are matched with the General Fund appropriation made under section 14 of this 2007 Act.
- (13) In compliance with the requirements of Article XI-G of the Oregon Constitution, funds available under the expenditure limitation for bonds issued pursuant to Article XI-G of the Oregon Constitution in section 2 (6)(h) of this 2007 Act are matched with the General Fund appropriation made under section 10 (6) of this 2007 Act.
- (14) In compliance with the requirements of Article XI-G of the Oregon Constitution, funds available under the expenditure limitation for bonds issued pursuant to Article XI-G of the Oregon Constitution in section 2 (6)(j) of this 2007 Act are matched with the General Fund appropriation made under section 15 of this 2007 Act.
- (15) In compliance with the requirements of Article XI-G of the Oregon Constitution, funds available under the expenditure limitation for bonds issued pursuant to Article XI-G of the Oregon Constitution in section 2 (7) of this 2007 Act are matched with the General Fund appropriation made under section 16 of this 2007 Act.

SECTION 7. Notwithstanding the expenditure limitations established under sections 2 and 8 of this 2007 Act, the State Board of Higher Education may increase any limit for expenditures from other revenues, including federal funds, prescribed by sections 2 and 8 of this 2007 Act for a specific project, if the expenditure limitation for bonds issued pursuant to Article XI-F(1) or XI-G of the Oregon Constitution for the project is reduced by the board in the same amount.

SECTION 8. (1) Notwithstanding the expenditure limitations established under section 2 of this 2007 Act, and subject to subsection (3) of this section, the State Board of Higher Education may expend amounts that exceed the expenditure limitations established under section 2 (2) to (7) of this 2007 Act for bonds issued pursuant to Article XI-F(1) of the Oregon Constitution by the following percentage amounts:

- (a) For a project with a combined approved General Fund appropriation and total expenditure limitation of \$500,000 to \$999,999 under section 2 of this 2007 Act, up to 12 percent of the expenditure limitation for bonds issued pursuant to Article XI-F(1) of the Oregon Constitution.
- (b) For a project with a combined approved General Fund appropriation and total expenditure limitation of \$1,000,000 to \$4,999,999 under section 2 of this 2007 Act, up to eight percent of the expenditure limitation for bonds issued pursuant to Article XI-F(1) of the Oregon Constitution.
- (c) For a project with a combined approved General Fund appropriation and total expenditure limitation of \$5,000,000 to \$9,999,999 under section 2 of this 2007 Act, up to five percent of the expenditure limitation for bonds issued pursuant to Article XI-F(1) of the Oregon Constitution.
- (d) For a project with a combined approved General Fund appropriation and total expenditure limitation of \$10,000,000 or more under section 2 of this 2007 Act, up to three percent of the expenditure limitation for bonds issued pursuant to Article XI-F(1) of the Oregon Constitution.
- (2) Notwithstanding the expenditure limitations established under section 2 of this 2007 Act, and subject to subsection (3) of this section, the State Board of Higher Education may expend amounts that exceed the expenditure limitations established under section 2 (2) to (7) of this 2007 Act for other revenues, including federal funds, by the following percentage amounts:
- (a) For a project with a combined approved General Fund appropriation and total expenditure limitation of \$500,000 to \$999,999 under section 2 of this 2007 Act, up to 12 percent of the expenditure limitation for other revenues, including federal funds.
- (b) For a project with a combined approved General Fund appropriation and total expenditure limitation of \$1,000,000 to \$4,999,999 under section 2 of this 2007 Act, up to eight percent of the expenditure limitation for other revenues, including federal funds.
- (c) For a project with a combined approved General Fund appropriation and total expenditure limitation of \$5,000,000 to \$9,999,999 under section 2 of this 2007 Act, up to five percent of the expenditure limitation for other revenues, including federal funds.
- (d) For a project with a combined approved General Fund appropriation and total expenditure limitation of \$10,000,000 or more under section 2 of this 2007 Act, up to three percent of the expenditure limitation for other revenues, including federal funds.
 - (3) The total amount by which the expenditure limitations established under section 2 of

this 2007 Act are exceeded under subsections (1) and (2) of this section may not be greater than the sum of the amounts established under section 2 (8) of this 2007 Act.

SECTION 9. Notwithstanding ORS 351.345 and section 2 of this 2007 Act, the State Board of Higher Education may issue bonds for a project listed in section 2 (2)(b), (4)(k), (5)(f) and (h), (6)(g) and (j) and (7) of this 2007 Act:

- (1) If the total amount from other revenues, including federal funds, identified for the project in the expenditure limitation in section 2 of this 2007 Act has been received by the state board; or
- (2) After reporting to the Emergency Board or the Joint Committee on Ways and Means, if the total amount from other revenues, including federal funds, identified for the project in the expenditure limitation in section 2 of this 2007 Act has not been received by the state board.

SECTION 10. There is appropriated to the Department of Higher Education, for the biennium beginning July 1, 2007, out of the General Fund, the following amounts for the fol-

15	lowing	purposes:	
16	(1)	Eastern Oregon University	
17		Inlow Hall \$	1,312,000
18	(2)	Oregon State University	
19		Nash Hall \$	3,776,000
20	(3)	Oregon State University	
21		National Wave Energy Research	
22		Center \$	1,500,000
23	(4)	Portland State University	
24		Lincoln Hall\$	8,616,000
25	(5)	Portland State University	
26		Science Building II\$	7,658,500
27	(6)	University of Oregon	
28		Fenton Hall \$	2,480,500
29	(7)	Western Oregon	
30		University Business,	
31		Math and Computer Science	

Facility......\$

Humanities and Social Science. \$

Western Oregon University

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SECTION 11. (1) There is established in the General Fund an account to be known as the Western Oregon University Business, Math and Computer Science Facility Project Account. Funds in the account shall be used for the construction, remodeling, expansion and renovation of facilities for a facility project at Western Oregon University.

2,000,000

984,500

- (2) The account shall consist of proceeds from lottery bonds, grant funds, gift funds, federal and local government funds made available to and funds donated to the Department of Higher Education for the purpose of the facility project described in subsection (1) of this section. Interest earned on moneys in the account shall be credited to the account. The account may not be credited with more than \$500,000 for purposes of this subsection.
- (3) Moneys in the account shall be considered to be General Fund moneys for purposes of section 1 (3), Article XI-G of the Oregon Constitution, are continuously appropriated to

the Department of Higher Education and may be transferred to the Department of Higher Education Capital Construction Fund for the facility project described in subsection (1) of this section.

SECTION 12. (1) There is established in the General Fund an account to be known as the Oregon State University Pauling Research and Education Building Account. Funds in the account shall be used for the construction, remodeling, expansion and renovation of facilities for the Pauling Research and Education Building at the Oregon State University.

- (2) The account shall consist of grant funds, gift funds, federal and local government funds made available to and funds donated to the Department of Higher Education for the purpose of the Pauling Research and Education Building project described in subsection (1) of this section. Interest earned on moneys in the account shall be credited to the account. The account may not be credited with more than \$31,256,035 for purposes of this subsection.
- (3) Moneys in the account shall be considered to be General Fund moneys for purposes of section 1 (3), Article XI-G of the Oregon Constitution, are continuously appropriated to the Department of Higher Education and may be transferred to the Department of Higher Education Capital Construction Fund for the Pauling Research and Education Building project described in subsection (1) of this section.

SECTION 13. (1) There is established in the General Fund an account to be known as the Portland State University Science Research and Teaching Center and Hazardous Waste Facility Account. Funds in the account shall be used for the construction, remodeling, expansion and renovation of facilities for a Science Research and Teaching Center and Hazardous Waste Facility at Portland State University.

- (2) The account shall consist of grant funds, gift funds, proceeds of legal settlements, federal and local government funds made available to and funds donated to the Department of Higher Education for the purpose of the center and facility project described in subsection (1) of this section. Interest earned on moneys in the account shall be credited to the account. The account may not be credited with more than \$9,500,000 for purposes of this subsection.
- (3) Moneys in the account shall be considered to be General Fund moneys for purposes of section 1 (3), Article XI-G of the Oregon Constitution, are continuously appropriated to the Department of Higher Education and may be transferred to the Department of Higher Education Capital Construction Fund for the center and facility project described in subsection (1) of this section.

SECTION 14. (1) There is established in the General Fund an account to be known as the University of Oregon Integrative Science Complex, Phase 2 Account. Funds in the account shall be used for the construction, remodeling, expansion and renovation of facilities for an Interactive Science Complex, Phase 2 at the University of Oregon.

- (2) The account shall consist of grant funds, gift funds, federal and local government funds made available to and funds donated to the Department of Higher Education for the purpose of the Interactive Science Complex, Phase 2 project described in subsection (1) of this section. Interest earned on moneys in the account shall be credited to the account. The account may not be credited with more than \$30,000,000 for purposes of this subsection.
- (3) Moneys in the account shall be considered to be General Fund moneys for purposes of section 1 (3), Article XI-G of the Oregon Constitution, are continuously appropriated to the Department of Higher Education and may be transferred to the Department of Higher Education Capital Construction Fund for the Interactive Science Complex, Phase 2 project

described in subsection (1) of this section.

SECTION 15. (1) There is established in the General Fund an account to be known as the University of Oregon Hayward Field Account. Funds in the account shall be used for the construction, remodeling, expansion and renovation of Hayward Field at the University of Oregon.

- (2) The account shall consist of funds received from not-for-profit organizations, grant funds, gift funds, federal and local government funds made available to and funds donated to the Department of Higher Education for the purpose of the Hayward Field project described in subsection (1) of this section. Interest earned on moneys in the account shall be credited to the account. The account may not be credited with more than \$2,500,000 for purposes of this subsection.
- (3) Moneys in the account shall be considered to be General Fund moneys for purposes of section 1 (3), Article XI-G of the Oregon Constitution, are continuously appropriated to the Department of Higher Education and may be transferred to the Department of Higher Education Capital Construction Fund for the Hayward Field project described in subsection (1) of this section.
- SECTION 16. (1) There is established in the General Fund an account to be known as the Oregon Institute of Technology Center for Health Professions Account. Funds in the account shall be used for the construction, remodeling, expansion and renovation of facilities for a Center for Health Professions project for the Oregon Institute of Technology.
- (2) The account shall consist of grant funds, gift funds, federal and local government funds made available to and funds donated to the Department of Higher Education for the purpose of the Center for Health Professions project described in subsection (1) of this section. Interest earned on moneys in the account shall be credited to the account. The account may not be credited with more than \$5,500,000 for purposes of this subsection.
- (3) Moneys in the account shall be considered to be General Fund moneys for purposes of section 1 (3), Article XI-G of the Oregon Constitution, are continuously appropriated to the Department of Higher Education and may be transferred to the Department of Higher Education Capital Construction Fund for the Center for Health Professions project described in subsection (1) of this section.
- SECTION 17. (1) There is established in the General Fund an account to be known as the Portland State University Science PCAT Redevelopment Account. Funds in the account shall be used for the construction, remodeling, expansion and renovation of facilities on the current site of the Portland Center for Advanced Technology at Portland State University.
- (2) The account shall consist of grant funds, gift funds, proceeds of legal settlements, federal and local government funds made available to and funds donated to the Department of Higher Education for the purpose of the project described in subsection (1) of this section. Interest earned on moneys in the account shall be credited to the account. The account may not be credited with more than \$10,000,000 for purposes of this subsection.
- (3) Moneys in the account shall be considered to be General Fund moneys for purposes of section 1 (3), Article XI-G of the Oregon Constitution, are continuously appropriated to the Department of Higher Education and may be transferred to the Department of Higher Education Capital Construction Fund for the project described in subsection (1) of this section.
 - SECTION 18. (1) Pursuant to Article XI-G of the Oregon Constitution and ORS 286.031

- to 286.061 and 341.721, the State Treasurer may sell, at the request of the State Board of Education, general obligation bonds of the State of Oregon of the kind and character and within the limits prescribed by Article XI-G of the Oregon Constitution, as the treasurer determines, but in no event may the treasurer sell more than the aggregate principal sum of \$52,640,500 par value for the biennium beginning July 1, 2007. The moneys realized from the sale of the bonds shall be appropriated and may be expended for the purposes set forth in section 3 of this 2007 Act and sections 3 (5) and (6), chapter 787, Oregon Laws 2005, for payment for capitalized interest and costs incidental to issuance of the bonds.
- (2) In compliance with the requirements of Article XI-G of the Oregon Constitution, funds available under the expenditure limitation for bonds issued pursuant to Article XI-G of the Oregon Constitution in section 3 (1) of this 2007 Act are matched with the General Fund appropriation made under section 20 of this 2007 Act.
- (3) In compliance with the requirements of Article XI-G of the Oregon Constitution, funds available under the expenditure limitation for bonds issued pursuant to Article XI-G of the Oregon Constitution in section 3 (2) of this 2007 Act are matched with the General Fund appropriation made under section 21 of this 2007 Act.
- (4) In compliance with the requirements of Article XI-G of the Oregon Constitution, funds available under the expenditure limitation for bonds issued pursuant to Article XI-G of the Oregon Constitution in section 3 (3) of this 2007 Act are matched with the General Fund appropriation made under section 22 of this 2007 Act.
- (5) In compliance with the requirements of Article XI-G of the Oregon Constitution, funds available under the expenditure limitation for bonds issued pursuant to Article XI-G of the Oregon Constitution in section 3 (4) of this 2007 Act are matched with the General Fund appropriation made under section 23 of this 2007 Act.
- (6) In compliance with the requirements of Article XI-G of the Oregon Constitution, funds available under the expenditure limitation for bonds issued pursuant to Article XI-G of the Oregon Constitution in section 3 (5) of this 2007 Act are matched with the General Fund appropriation made under section 24 of this 2007 Act.
- (7) In compliance with the requirements of Article XI-G of the Oregon Constitution, funds available under the expenditure limitation for bonds issued pursuant to Article XI-G of the Oregon Constitution in section 3 (6) of this 2007 Act are matched with the General Fund appropriation made under section 25 of this 2007 Act.
- (8) In compliance with the requirements of Article XI-G of the Oregon Constitution, funds available under the expenditure limitation for bonds issued pursuant to Article XI-G of the Oregon Constitution in section 3 (7) of this 2007 Act are matched with the General Fund appropriation made under section 27, chapter 787, Oregon Laws 2005.
- (9) In compliance with the requirements of Article XI-G of the Oregon Constitution, funds available under the expenditure limitation for bonds issued pursuant to Article XI-G of the Oregon Constitution in section 3 (8) of this 2007 Act are matched with the General Fund appropriation made under section 27 of this 2007 Act.
- SECTION 19. Notwithstanding section 3 of this 2007 Act, at the request of the State Board of Education, the State Treasurer may issue bonds for a project listed in section 3 of this 2007 Act:
- (1) If the total amount from other revenues, including federal funds, identified for the project in the expenditure limitation in section 3 of this 2007 Act has been received by the

1 Department of Community Colleges and Workforce Development; or

(2) After the department reports to the Emergency Board or the Joint Committee on Ways and Means, if the total amount from other revenues, including federal funds, identified for the project in the expenditure limitation in section 3 of this 2007 Act has not been received by the department.

SECTION 20. (1) There is established in the General Fund an account to be known as the Central Oregon Community College Facilities Account. Moneys in the account shall be used to construct, improve, repair, equip and furnish facilities and purchase land for facilities for the Central Oregon Community College District.

- (2) The account may consist of the following moneys that have been deposited in the account by the Department of Community Colleges and Workforce Development at the request of the Central Oregon Community College District for the purposes listed in subsection (1) of this section:
 - (a) Moneys from federal and local governments;
 - (b) Donations;

- (c) Community College Support Fund moneys transferred to the account by the department at the request of the community college district;
- (d) Building reserve funds of the community college district transferred to the department from the community college district; and
 - (e) Proceeds from the sale of bonds issued by the community college district.
 - (3) Interest earned on moneys in the account shall be credited to the account.
- (4) The account may not be credited with more than \$5,778,000 in donations, Community College Support Fund moneys, proceeds from the sale of bonds, building reserve funds, federal and local government funds and interest.
- (5) Moneys in the account shall be considered to be General Fund moneys for purposes of section 1 (3), Article XI-G of the Oregon Constitution, are continuously appropriated to the department and may be transferred to the Community College Capital Construction Fund for the purpose of making distributions to the Central Oregon Community College District for the purposes listed in subsection (1) of this section.
- SECTION 21. (1) There is established in the General Fund an account to be known as the Chemeketa Community College Facility Account. Moneys in the account shall be used to construct, improve, repair, equip and furnish facilities and purchase land for facilities for the Chemeketa Community College District.
- (2) The account may consist of the following moneys that have been deposited in the account by the Department of Community Colleges and Workforce Development at the request of the Chemeketa Community College District for the purposes listed in subsection (1) of this section:
 - (a) Moneys from federal and local governments;
 - (b) Donations;
- (c) Community College Support Fund moneys transferred to the account by the department at the request of the community college district;
- (d) Building reserve funds of the community college district transferred to the department from the community college district; and
 - (e) Proceeds from the sale of bonds issued by the community college district.
- (3) Interest earned on moneys in the account shall be credited to the account.

- (4) The account may not be credited with more than \$5,625,000 in donations, Community College Support Fund moneys, proceeds from the sale of bonds, building reserve funds, federal and local government funds and interest.
- (5) Moneys in the account shall be considered to be General Fund moneys for purposes of section 1 (3), Article XI-G of the Oregon Constitution, are continuously appropriated to the department and may be transferred to the Community College Capital Construction Fund for the purpose of making distributions to the Chemeketa Community College District for the purposes listed in subsection (1) of this section.
- SECTION 22. (1) There is established in the General Fund an account to be known as the Clackamas Community College Facilities Account. Moneys in the account shall be used to construct, improve, repair, equip and furnish facilities and purchase land for facilities for the Clackamas Community College District.
- (2) The account may consist of the following moneys that have been deposited in the account by the Department of Community Colleges and Workforce Development at the request of the Clackamas Community College District for the purposes listed in subsection (1) of this section:
 - (a) Moneys from federal and local governments;
 - (b) Donations;

- (c) Community College Support Fund moneys transferred to the account by the department at the request of the community college district;
- (d) Building reserve funds of the community college district transferred to the department from the community college district; and
 - (e) Proceeds from the sale of bonds issued by the community college district.
 - (3) Interest earned on moneys in the account shall be credited to the account.
- (4) The account may not be credited with more than \$5,156,250 in donations, Community College Support Fund moneys, proceeds from the sale of bonds, building reserve funds, federal and local government funds and interest.
- (5) Moneys in the account shall be considered to be General Fund moneys for purposes of section 1 (3), Article XI-G of the Oregon Constitution, are continuously appropriated to the department and may be transferred to the Community College Capital Construction Fund for the purpose of making distributions to the Clackamas Community College District for the purposes listed in subsection (1) of this section.
- SECTION 23. (1) There is established in the General Fund an account to be known as the Lane Community College Facilities Account. Moneys in the account shall be used to construct, improve, repair, equip and furnish facilities and purchase land for facilities for the Lane Community College District.
- (2) The account may consist of the following moneys that have been deposited in the account by the Department of Community Colleges and Workforce Development at the request of the Lane Community College District for the purposes listed in subsection (1) of this section:
 - (a) Moneys from federal and local governments;
 - (b) Donations;
- (c) Community College Support Fund moneys transferred to the account by the department at the request of the community college district;
 - (d) Building reserve funds of the community college district transferred to the depart-

ment from the community college district; and

- (e) Proceeds from the sale of bonds issued by the community college district.
- (3) Interest earned on moneys in the account shall be credited to the account.
- (4) The account may not be credited with more than \$6,750,000 in donations, Community College Support Fund moneys, proceeds from the sale of bonds, building reserve funds, federal and local government funds and interest.
- (5) Moneys in the account shall be considered to be General Fund moneys for purposes of section 1 (3), Article XI-G of the Oregon Constitution, are continuously appropriated to the department and may be transferred to the Community College Capital Construction Fund for the purpose of making distributions to the Lane Community College District for the purposes listed in subsection (1) of this section.
- <u>SECTION 24.</u> (1) There is established in the General Fund an account to be known as the Linn-Benton Community College Facilities Account. Moneys in the account shall be used to construct, improve, repair, equip and furnish facilities and purchase land for facilities for the Linn-Benton Community College District.
- (2) The account may consist of the following moneys that have been deposited in the account by the Department of Community Colleges and Workforce Development at the request of the Linn-Benton Community College District for the purposes listed in subsection (1) of this section:
 - (a) Moneys from federal and local governments;
 - (b) Donations:
- (c) Community College Support Fund moneys transferred to the account by the department at the request of the community college district;
- (d) Building reserve funds of the community college district transferred to the department from the community college district; and
 - (e) Proceeds from the sale of bonds issued by the community college district.
 - (3) Interest earned on moneys in the account shall be credited to the account.
- (4) The account may not be credited with more than \$3,731,250 in donations, Community College Support Fund moneys, proceeds from the sale of bonds, building reserve funds, federal and local government funds and interest.
- (5) Moneys in the account shall be considered to be General Fund moneys for purposes of section 1 (3), Article XI-G of the Oregon Constitution, are continuously appropriated to the department and may be transferred to the Community College Capital Construction Fund for the purpose of making distributions to the Linn-Benton Community College District for the purposes listed in subsection (1) of this section.
- SECTION 25. (1) There is established in the General Fund an account to be known as the Mt. Hood Community College Facilities Account. Moneys in the account shall be used to construct, improve, repair, equip and furnish facilities and purchase land for facilities for the Mt. Hood Community College District.
- (2) The account may consist of the following moneys that have been deposited in the account by the Department of Community Colleges and Workforce Development at the request of the Mt. Hood Community College District for the purposes listed in subsection (1) of this section:
 - (a) Moneys from federal and local governments;
- (b) Donations;

- (c) Community College Support Fund moneys transferred to the account by the department at the request of the community college district;
- (d) Building reserve funds of the community college district transferred to the department from the community college district; and
 - (e) Proceeds from the sale of bonds issued by the community college district.
 - (3) Interest earned on moneys in the account shall be credited to the account.
- (4) The account may not be credited with more than \$2,500,000 in donations, Community College Support Fund moneys, proceeds from the sale of bonds, building reserve funds, federal and local government funds and interest.
- (5) Moneys in the account shall be considered to be General Fund moneys for purposes of section 1 (3), Article XI-G of the Oregon Constitution, are continuously appropriated to the department and may be transferred to the Community College Capital Construction Fund for the purpose of making distributions to the Linn-Benton Community College District for the purposes listed in subsection (1) of this section.

SECTION 26. Section 27, chapter 787, Oregon Laws 2005, is amended to read:

- Sec. 27. (1) There is established in the General Fund an account to be known as the Oregon Coast Community College Facilities Account. Moneys in the account shall be used to construct, improve, repair, equip and furnish [new facilities in Lincoln City, South Beach and Waldport] facilities and purchase land for facilities for the Oregon Coast Community College District.
- (2) The account may consist of the following moneys that have been deposited in the account by the Department of Community Colleges and Workforce Development at the request of the Oregon Coast Community College District for the purposes listed in subsection (1) of this section:
 - (a) Moneys from federal and local governments;
 - (b) Donations;

- (c) Community College Support Fund moneys transferred to the account by the department at the request of the community college district;
- (d) Building reserve funds of the community college district transferred to the department from the community college district; and
 - (e) Proceeds from the sale of bonds issued by the community college district.
 - (3) Interest earned on moneys in the account shall be credited to the account.
- (4) The account may not be credited with more than [\$4,500,000] \$7,500,000 in donations, Community College Support Fund moneys, proceeds from the sale of bonds, building reserve funds, federal and local government funds and interest.
- (5) Moneys in the account shall be considered to be General Fund moneys for purposes of section 1 (3), Article XI-G of the Oregon Constitution, are continuously appropriated to the department and may be transferred to the Community College Capital Construction Fund for the purpose of making distributions to the Oregon Coast Community College District for the purposes listed in subsection (1) of this section.
- SECTION 27. (1) There is established in the General Fund an account to be known as the Portland Community College Facilities Account. Moneys in the account shall be used to construct, improve, repair, equip and furnish facilities and purchase land for facilities for the Portland Community College District.
- (2) The account may consist of the following moneys that have been deposited in the account by the Department of Community Colleges and Workforce Development at the request of the Portland Community College District for the purposes listed in subsection (1)

of this section:

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- (a) Moneys from federal and local governments;
- (b) Donations:
- (c) Community College Support Fund moneys transferred to the account by the department at the request of the community college district;
- (d) Building reserve funds of the community college district transferred to the department from the community college district; and
 - (e) Proceeds from the sale of bonds issued by the community college district.
 - (3) Interest earned on moneys in the account shall be credited to the account.
- (4) The account may not be credited with more than \$7,500,000 in donations, Community College Support Fund moneys, proceeds from the sale of bonds, building reserve funds, federal and local government funds and interest.
- (5) Moneys in the account shall be considered to be General Fund moneys for purposes of section 1 (3), Article XI-G of the Oregon Constitution, are continuously appropriated to the department and may be transferred to the Community College Capital Construction Fund for the purpose of making distributions to the Portland Community College District for the purposes listed in subsection (1) of this section.

SECTION 28. Section 2, chapter 787, Oregon Laws 2005, is amended to read:

Sec. 2. Notwithstanding any other law limiting expenditures, the following amounts are established for a six-year period beginning July 1, 2005, as the maximum limit for payment of expenses under this section from bond proceeds and other revenues, including federal funds, collected or received by the Department of Higher Education, for the acquisition of land, improvements to land and the acquisition, planning, constructing, altering, repairing, furnishing and equipping of buildings, facilities and other projects within the Oregon University System:

26						
27						
28						Other
29						Revenues
30		Article	Article			(Including
31		XI-G	XI-F(1)	Lottery	Energy	Federal
32		Bonds	Bonds	Bonds	Loans	Funds)
33						
34	(1) Oregon University System					
35	(a) Capital repair/Code					
36	compliance \$ 11	796,329	\$ 20,000,000	\$	\$	\$ 10,000,000
37	(b) Small capital projects	_	6,000,000	_	-	6,000,000
38	(c) Miscellaneous student building	g				
39	fee projects	_	3,000,000			_
40						
41	(2) Western Oregon University					
42	(a) Deferred Maintenance Tier 1,					
43	WOU Physical plant	-	_	2,538,000	1,552,000	_
44	(b) Humanities and Social					
45	Services Building seismic	_	-	_	-	1,500,000

1	(3) Eastern Oregon University					
2	- Deferred Maintenance Tier 1,					
3	Central heating plant	_	_	_	3,044,000	_
4						
5	(4) Portland State University					
6	(a) Retail development, various					
7	locations	_	5,000,000	_	-	_
8	(b) University Place redevelopment					
9	phase 1	_	1		-	_
10	(c) Parking structure construction	_	30,000,000	_	_	_
11	(d) Student recreation/fitness center					
12	and housing	_	42,000,000	_	_	_
13	(e) Smith Memorial Student Union					
14	renovation	_	1,500,000	_	_	_
15	(f) City Tower building acquisition	_	_	_	_	1
16	(g) Deferred Maintenance Tier 1,					
17	Heating plant	_	_	32,000	5,498,000	2,570,000
18	(h) Deferred Maintenance Tier 2,					
19	Shattuck Hall	_		7,312,000	6,383,000	_
20						
21	(5) University of Oregon					
22	(a) Outside tennis courts replacemen	nt -	850,000	_	_	950,000
23	(b) Earl Residence Hall Complex					
24	accessibility upgrade	_	750,000	_		_
25	(c) Food service upgrade	_	3,500,000	_	_	_
26	(d) Erb Memorial Union, Internatio	nal				
27	Area renovation	_	500,000	_		634,000
28	(e) Basketball arena, land acquisition	on,				
29	parking structure	_	1			1
30	(f) New education building and					
31	education complex 19,40	0,000	4,300,000	_	400,000	24,000,000
32	(g) Deferred Maintenance Tier 1,					
33	Heating/Power plant	_	_	174,000	13,049,000	_
34	(h) Living Learning Center	_	3,000,000	_	_	_
35	(i) Theater complex 3,95	0,000	_	_	_	3,950,000
36	(j) Gilbert Hall 3,30	0,000	_	_	_	3,300,000
37						
38	(6) Oregon State University					
39	(a) Cauthorn Hall housing remodel	_	10,500,000	_	_	_
40	(b) Student family housing and					
41	child care center construction	_	_	_	_	17,500,000
42	(c) Student housing suites and					
43	apartments construction		_	-	-	17,500,000
44	(d) Residential infrastructure					
45	deferred maintenance		3,000,000	_	_	_

_	() A 11 D: : G		4 000 000			
	(e) Arnold Dining Center remodel	-	1,000,000	-	_	_
	(f) Finley Hall remodel	-	12,500,000	-	-	_
1	(g) Memorial Union phase 3					E 500 000
	renovation		-			7,500,000
, ,	(h) New steam plant/Utility switch		-		-	
;	construction	1	1	-	1	1
7	(i) Research Park multitenant #1					
3	and #2		-	-	-	1
)	(j) Our Little Village Child Care		0.000.555			
)	Center	-	2,200,000		-	-
	(k) Deferred Maintenance Tier 2,					
	Education Hall	-	-	7,152,000	1,355,000	_
	[(L) Apperson Hall					10,000,000
:	(L) Apperson Hall					14,000,000
	(m) Reser Stadium and parking					
i	addition	-	4,000,000	-	-	-
	(n) College of Veterinary Medicine,					
	Large Animal Hospital	-	-	-	-	12,000,000
)	(o) Nash Hall seismic	-	-	-	_	2,000,000
)	(p) Animal sciences education					
	and research pavilion 4,000,	000	-	-	-	4,000,000
:						
	(7) Southern Oregon University					
:	(a) Jefferson Public Radio equipment	-	-	_	_	500,000
•	(b) Land acquisition	-	1	-	-	-
;	(c) Theatre Arts expansion and					
,	remodel		-		-	4,200,000
	(d) Stevenson Union addition remodel	l	1,500,000	-	-	-
)	(e) Medford instructional facility					
)	with Rogue Community					
	College 5,550,	000	-		-	2,550,000
:	(f) Deferred Maintenance Tier 1,					
	Central heating plant	-	-	881,000	363,000	-
:						
•	(8) Oregon Institute of Technology					
;	(a) Student housing project					
	construction	-	1	-	-	-
	(b) Deferred Maintenance Tier 1,					
)	Facilities services	-	-	579,000	549,000	-
)	(c) Deferred Maintenance Tier 2,					
	Snell Hall			762,000	532,000	550,000
:						
	(9) Project reserves	_	5,334,000	_		3,732,720

SECTION 29. Section 2, chapter 725, Oregon Laws 2003, is amended to read:

Sec. 2. Notwithstanding any other law limiting expenditures, the amount of \$446,097,973 is established as the maximum limit for payment of expenses under this section and section **1, chapter 725, Oregon Laws 2003,** [of this 2003 Act] from the proceeds of bonds and other revenue sources, including federal funds, by the Department of Higher Education for the acquisition of land and improvements to land and the acquisition, planning, constructing, altering, repairing, furnishing and equipping of buildings and facilities. Within this total expenditure limitation there are established maximum limits for expenditures as follows:

9						
10						Other
11						Revenues
12			Article	Article	Lottery	(Including
13			XI-G	XI-F(1)	Bonds	Federal
14			Bonds	Bonds		Funds)
15	(1)	Oregon University System:				
16	(a)	Academic modernization, capital				
17		repair, deferred maintenance,				
18		code and safety compliance	\$12,519,853	\$20,000,000		\$10,000,000
19	(b)	Miscellaneous student building fee				
20		projects		\$3,000,000		
21	(c)	Small capital projects		\$6,000,000		\$6,000,000
22	(2)	Oregon State University:				
23	(a)	Reser Stadium expansion and parking				
24		facilities		\$66,000,000		\$44,000,000
25	(b)	Memorial Union remodel, phase 3		\$5,500,000		
26	(c)	College Inn renovation or replacement		\$1,000,000		\$11,000,000
27	(d)	Residential housing deferred maintenance				
28		upgrade/replacement		\$3,000,000		
29	(e)	Arnold Dining Center remodel		\$7,000,000		
30	(f)	Poling Hall remodel		\$9,000,000		
31	(g)	New single student suites/apartments		\$1,000,000		\$11,000,000
32	(h)	Instrumentation and flow imaging lab				
33		addition				\$650,000
34	(i)	[Graf Hall and adjacent buildings				
35		remodel] HP Building				
36		II Renovation	\$4,750,000		\$4,750,000	\$9,500,000
37	(j)	College of Veterinary Medicine				
38		addition				\$2,200,000
39	(3)	Portland State University:				
40	(a)	Smith Memorial Student Union				
41		renovations and code compliance		\$7,000,000		
42	(b)	Athletic arena construction		\$5,000,000		\$20,000,000
43	(c)	Ondine student housing tower remodel				
44		and seismic upgrade		\$6,000,000		
45	(d)	Helen Gordon Child Development Center				

1		rehabilitation, phase 2	\$3,500,000		
2	(e)	Peter W. Stott Center student recreation			
3		and fitness improvements, phase 2	\$4,100,000		
4	(f)	Combination housing/parking structure	\$20,000,000		
5	(g)	New housing construction, phase 1	\$15,000,000		
6	(h)	Center for nanoscience and			
7		nanotechnology	\$500,000	\$500,000	\$1,000,000
8	(4)	Southern Oregon University:			
9		Jefferson Public Radio transmitter/			
10		translator network equipment			\$500,000
11	(5)	University of Oregon:			
12	(a)	University Health and Counseling			
13		Center addition/remodel	\$10,080,000		
14	(b)	University housing	\$8,500,000		
15	(c)	Living Learning Center	\$27,000,000		
16	(d)	Residence hall restoration, phase 1	\$2,000,000		
17	(e)	Parking structure	\$10,920,000		
18	(f)	Heart of Campus rehabilitation			\$850,000
19	(g)	Museum of Natural History addition			
20		and alterations			\$1,460,000
21	(h)	Allen Hall, phase 7			\$2,000,000
22	(i)	Alumni Center construction			\$21,200,000
23	(j)	Integrative science complex	\$4,750,000	\$4,750,000	\$9,500,000
24	(k)	Theatre complex			\$6,360,000
25	(6)	Project reserve	\$2,612,667		\$1,625,600
26		SECTION 30. Section 11, chapter 725, Oreg	gon Laws 2003, is amended t	o read:	

26 **SECTION 30.** Section 11, chapter 725, Oregon Laws 2003, is amended to read:

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- Sec. 11. (1) Pursuant to ORS 286.560 to 286.580 and 348.716, lottery bonds may be issued to fund projects for:
 - (a) The remodel of [Graf Hall and adjacent buildings] the HP Building II Renovation project at Oregon State University for a microproducts breakthrough institute relating to a signature research center;
 - (b) The expansion of microscopy and materials characterization facilities at Portland State University relating to a signature research center; and
 - (c) The construction, remodeling, expansion and renovation of facilities for an integrative science complex at the University of Oregon relating to a signature research center.
 - (2) The use of lottery bond proceeds is authorized based on the following findings:
 - (a) The universities of the Oregon University System promote the improved education of Oregon's students;
 - (b) The promotion of educated employees for business and industry expands markets, which in turn creates jobs and stimulates economic development of the state's business and industry; and
 - (c) The creation of a signature research center will support the growth of emerging markets and the creation of new markets, which in turn create jobs and stimulate economic development of the state's business and industry.
 - (3) The aggregate principal amount of lottery bonds issued pursuant to this section may not exceed the sum of \$10,000,000 and an additional amount estimated by the State Treasurer to be

- necessary to pay bond-related costs. Lottery bonds issued pursuant to this section shall be issued only at the request of the Chancellor of the Oregon University System.
- (4)(a) Of the net proceeds of lottery bonds issued pursuant to this section, \$4,750,000 shall be deposited in the Oregon State University Engineering Capital Construction Remodel Account established in section 8, chapter 725, Oregon Laws 2003 [of this 2003 Act].
- (b) Of the net proceeds of lottery bonds issued pursuant to this section, \$500,000 shall be deposited in the Portland State University Center for Nanoscience and Nanotechnology Account established in section 9, chapter 725, Oregon Laws 2003 [of this 2003 Act].
- (c) Of the net proceeds of lottery bonds issued pursuant to this section, \$4,750,000 shall be deposited in the University of Oregon Integrative Science Complex Account established in section 10, chapter 725, Oregon Laws 2003 [of this 2003 Act].
- (5) The proceeds of lottery bonds issued pursuant to this section may be used only for the purposes set forth in subsection (1) of this section and for bond-related costs.

SECTION 31. ORS 351.532 is amended to read:

- 351.532. (1) There is established in the General Fund an account to be known as the Oregon State University Engineering Capital Construction Remodel Account. Funds in the account shall be used for the [remodel of Graf Hall and adjacent buildings] **HP Building II Renovation project** at Oregon State University for a microproducts breakthrough institute related to a signature research center.
- (2) The account shall consist of proceeds from lottery bonds made available to the Oregon University System for the purpose of the Oregon State University capital construction project described in subsection (1) of this section. Interest earned on moneys in the account shall be credited to the account.
- (3) Moneys in the account shall be considered to be General Fund moneys for purposes of section 1 (3), Article XI-G of the Oregon Constitution, and are continuously appropriated to the Department of Higher Education for the capital construction project described in subsection (1) of this section. The account may not be credited with more than \$4,750,000 in interest and proceeds from lottery bonds.
- <u>SECTION 32.</u> This 2007 Act being necessary for the immediate preservation of the public peace, health and safety, an emergency is declared to exist, and this 2007 Act takes effect July 1, 2007.