## 75TH OREGON LEGISLATIVE ASSEMBLY – 2010 Special Session STAFF MEASURE SUMMARY HOUSE REVENUE COMMITTEE

REVENUE: No Revenue Impact FISCAL: Fiscal Impact Issued

**Action:** Do Pass as Amended and be Printed A Engrossed

**Vote:** 8-0-2

Yeas: Bailey, Bentz, Berger, Bruun, Gelser, Riley, Sprenger, Barnhart

**MEASURE: HJR 101 A** 

**CARRIER: Rep. Harker** 

Nays: 0

Exc.: Kahl, Read

**Prepared By:** Mazen Malik, Economist **Meeting Dates:** 2/5, 2/12

**WHAT THE BILL DOES:** Proposes amendment to Oregon Constitution relating to bonded indebtedness for institutions of higher education. Refers the amendment to voter approval.

## **ISSUES DISCUSSED:**

- The change in the environment for 11-F bonds from the fifties.
- 11-G section was introduced in 1963. Not self supporting bonds.
- Change the language in both sections of the constitution.
- Could not use the bond proceeds for modernization, could not buy existing buildings.
- The multi- purpose buildings of today and requirements for co-mingling of funds.
- More opportunity to take risks.
- Election to be with next primary.

**EFFECT OF COMMITTEE AMENDMENTS:** The amendment clarifies that matching funds to be from general fund appropriation, and change the election to the next primary election.

## **BACKGROUND:**

HJR 101 allows the Oregon University System (OUS) to finance existing buildings which can be less costly than building new facilities, and to finance any facilities that benefit higher education. HJR 101 is necessary to resolve the conflict in roles and nature of higher education facilities which have evolved over the past sixty years. In addition to traditional instruction, educational facilities' are also used for research, public service, and economic development. These multipurpose uses are not compatible with the bond restrictions in today's constitutional language.

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