

**76th OREGON LEGISLATIVE ASSEMBLY – 2011 Regular Session
BUDGET REPORT AND MEASURE SUMMARY**

MEASURE: HB 5051-A

JOINT COMMITTEE ON WAYS AND MEANS

**Carrier – House: Rep. Richardson
Carrier – Senate: Sen. Nelson**

Action: Do Pass as Amended and as Printed A-Engrossed

Vote: 25 – 0 – 0

House – Yeas: Beyer, Buckley, Cowan, Freeman, Garrard, Komp, Kotek, McLane, Nathanson, Nolan, Richardson, G. Smith, Thatcher, Whisnant
– Nays:
– Exc:

Senate – Yeas: Bates, Devlin, Edwards, Girod, Johnson, Monroe, Nelson, Thomsen, Verger, Whitsett, Winters
– Nays:
– Exc:

Prepared By: Daron Hill, Legislative Fiscal Office

Reviewed By: Various Legislative Fiscal Office Staff

Meeting Date: February 24, 2011

Agency

Capital Construction – Various Agencies

Budget Page

LFO Analysis Page

Biennium

2007-09
2009-11

Summary of Revenue Changes

Other Fund revenues are proceeds from the issuance of Certificates of Participation (COPs) issued in accordance with ORS 283; individual donations (including those made to the Veterans' Home Trust Fund); Lottery Bond proceeds approved in SB 5532 (2009), and the Department of Aviation's Aircraft Registration Fees.

Federal Funds are available from the US Department of Veterans Affairs State Veterans Home Construction Grant Program, the Federal Aviation Administration's General Entitlement Program, and Airport Improvement Program.

Summary of Capital Construction Subcommittee Action

House Bill 5051 provides additional Capital Construction authority for state agencies. The bill establishes authority for planning, design and construction projects. Each project must be authorized by the Legislature. Project approvals, appropriations, and expenditure limitations approved in this bill will expire on June 30, 2015, unless otherwise indicated.

Veteran's Affairs Department

Additional Other Funds Capital Construction expenditure limitation in the amount of \$96,329 and Federal Funds Capital Construction expenditure limitation in the amount of \$178,897 was approved by the subcommittee to reflect increases in construction costs that are eligible for federal funding. The additional Federal Funds generate a 35% match requirement by the Oregon Department of Veterans' Affairs, which will come from a separate veterans' home donation trust account created and maintained for the purpose of special purchases and enhancements to benefit the residents of the Oregon Veterans' Home. These increases in Capital Construction expenditure limitation augment initial approval for construction of a multipurpose community center for the Oregon Veterans' Home in The Dalles, for which limitation in the amount of \$964,714 Other Funds, and \$1,791,611 Federal Funds was granted in February 2010.

Department of Aviation

The subcommittee approved an increase of \$52,632 Other Funds and \$1,000,000 Federal Funds in the 2009-11 Capital Construction expenditure limitation for the *Joseph Airport Runway Taxiway/Apron Rehabilitation* to complete a full runway reconstruction required by Federal Aviation Administration pavement standards. The initial authorization was for a partial runway reconstruction.

The subcommittee approved the establishment of \$2,695,200 Other Funds Capital Construction expenditure limitation for construction of an air traffic control tower at the Aurora State Airport. The subcommittee requests the Department of Administrative Services to unschedule the funds until the revenue from the sale of Lottery Bonds is available for the project.

Oregon Youth Authority

The subcommittee made a technical adjustment to two Capital Construction expenditure limitations associated with the Corvallis House replacement project. In 2007, the Oregon Youth Authority (OYA) initially received \$1,000,000 Other Funds Capital Construction to begin work on renovating Corvallis House, a 100+ year old structure that was being used by the agency to provide transitional services and housing for young women. OYA received an additional \$1.8 million Other Funds Capital Construction for the project in 2009, as a part of a broader deferred maintenance package in SB 338 (2009). By that time, the renovation project had evolved into a replacement project, which consisted of building a new structure for the young women's transitional facility at the agency's Oak Creek site in Albany. The technical adjustment in this bill zeros out the \$1 million Other Funds Capital Construction Other Funds expenditure limitation authorized in 2007 and adds that figure to the 2009 amount. This action is being taken to ensure that funding is in alignment with the legislative record regarding approval of the project, the project's ultimate nature (replacement rather than renovation), and its total cost (\$2.8 million).