

REVENUE: No revenue impact

FISCAL: Fiscal statement issued

Action:	Do Pass as Amended and Be Printed Engrossed and Be Referred to the Committee on Ways and Means by prior reference
Vote:	3 - 1 - 1
Yeas:	Bonamici, Shields, Hass
Nays:	George
Exc.:	Morse
Prepared By:	Linda Lindholm, Administrator
Meeting Dates:	4/7, 4/19

WHAT THE MEASURE DOES: Establishes statutory provisions required for Superintendent of Public Instruction to borrow money pursuant to Article XI-P of Oregon Constitution for capital costs of school districts. Establishes School Capital Matching Fund to replace school capital matching subaccount. Establishes Article XI-P Bond Fund and Article XI-P Bond Administration Fund. Continuously appropriates moneys from funds. Makes statutory changes related to implementation of Article XI-P of Oregon Constitution. Declares emergency, effective on passage.

ISSUES DISCUSSED:

- Statutory framework and technical changes
- Bonding effects on credit rating and debt load
- Expenditures for building capital costs, not operations
- Pooling of debt obligations

EFFECT OF COMMITTEE AMENDMENT: Replaces Department of Administrative Services reference with Oregon Department of Education. Clarifies United States Internal Revenue Code terms. Removes outdated qualified revenue bond category from statute.

BACKGROUND: Passage of Measure 68 (SJR 13, 2009) authorizes the Legislature to issue a new type of general obligation bond (XI-P) and requires statutory implementation language. Senate Bill 18-A directs general obligation bond implementation. Measure language is procedural and facilitates matching of capital funds to statewide public school districts.