

A-Engrossed House Bill 5006

Ordered by the House June 29
Including House Amendments dated June 29

Introduced and printed pursuant to House Rule 12.00. Pre-session filed (at the request of Budget and Management Division, Oregon Department of Administrative Services)

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 measure.

Limits for six-year period beginning July 1, 2011, payment of expenses from other funds collected or received by various state agencies for capital construction.

Limits expenditures from federal funds collected or received by [*Oregon Department of Fish and Wildlife and Oregon Department of Transportation*] **Oregon Department of Aviation and Oregon Military Department** for capital construction for six-year period beginning July 1, 2011.

Increases expenditure limitations for certain previously authorized projects.

Limits for six-year period beginning July 1, 2011, payment of expenses from bond proceeds and other revenues, including federal funds, collected or received by Oregon University System for capital construction within Oregon University System.

Authorizes sale of bonds under Article XI-G of Oregon Constitution for previously approved projects.

Specifies that Legislative Assembly determines that projects financed by bonds issued under Article XI-F(1) of Oregon Constitution benefit higher education institutions or activities.

Sets expiration date on project approvals and expenditure limitations. Extends expiration dates for certain projects.

Approves proposed sale of certain armories and facilities.

Declares emergency, effective on passage.

A BILL FOR AN ACT

Relating to state financial administration; creating new provisions; amending section 6, chapter 904, Oregon Laws 2009; limiting expenditures; and declaring an emergency.

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

SECTION 1. Notwithstanding any other law limiting expenditures, the following amounts are established for a six-year period beginning July 1, 2011, as the maximum limits for payment of expenses from fees, moneys or other revenues, including Miscellaneous Receipts, but excluding lottery funds and federal funds, collected or received by the state agencies listed, for the acquisition of land and the acquisition, planning, constructing, altering, repairing, furnishing and equipping of buildings and facilities:

- (1) **Oregon Health Authority,**
Oregon State Hospital
replacement \$ 59,900,000
- (2) **Oregon Department of**
Administrative Services:
 - (a) **HVAC improvement projects,**
phase 1 \$ 1,535,603
 - (b) **Roof replacements** \$ 1,479,759

Note: For budget, see 2011-2013 Biennial Budget

NOTE: Matter in boldfaced type in an amended section is new; matter [*italic and bracketed*] is existing law to be omitted. New sections are in boldfaced type.

1	(c) Fire panel upgrades	\$ 2,791,212	
2	(d) Building exterior		
3	weatherization.....	\$ 1,552,033	
4	(e) Parking projects.....	\$ 2,268,881	
5	(f) Salem Motor Pool improvements	\$ 1,366,366	
6	(g) Facilities integrated software		
7	system, phase 2.....	\$ 1,000,000	
8	(h) Planning.....	\$ 250,000	
9	(i) Department of Revenue		
10	building HVAC system		
11	chiller replacement	\$ 1,000,000	
12	(3) Oregon Military Department:		
13	(a) The Dalles Readiness Center	\$ 4,011,273	
14	(b) Christmas Valley site		
15	acquisition.....	\$ 680,000	
16	(4) Oregon Department of		
17	Fish and Wildlife:		
18	(a) Ruby pipeline mitigation		
19	acquisition.....	\$ 2,000,000	
20	(b) Sandy Fish Hatchery		
21	fish passage.....	\$ 3,700,000	
22	(c) Rock Creek Fish		
23	Hatchery fish passage.....	\$ 1,500,000	
24	(d) Headquarters building.....	\$ 16,000,000	
25	(5) Department of Transportation,		
26	Portland drive testing		
27	center.....	\$ 1	
28	(6) Oregon Department of Aviation,		
29	Chiloquin State Airport		
30	runway/apron rehabilitation	\$ 10,526	
31	(7) Department of Veterans'		
32	Affairs:		
33	(a) Lebanon Veterans' Home.....	\$ 300,000	
34	(b) Roseburg Veterans' Home	\$ 1	
35	SECTION 2. Notwithstanding any other law limiting expenditures, the following amounts		
36	are established for a six-year period beginning July 1, 2011, as the maximum limits for the		
37	expenditure of federal funds collected or received by the state agencies listed, for the acqui-		
38	sition of land and the acquisition, planning, constructing, altering, repairing, furnishing and		
39	equipping of buildings and facilities:		
40	(1) Oregon Department of Aviation,		
41	Chiloquin State Airport		
42	runway/apron rehabilitation	\$ 200,000	
43	(2) Oregon Military Department,		
44	The Dalles Readiness		
45	Center	\$ 12,980,000	

SECTION 3. (1) Notwithstanding any other law limiting expenditures, and subject to subsection (2) of this section, for the six-year period beginning July 1, 2009, the amount of \$279,179,118 is established as the maximum limit for payment of expenses from fees, moneys or other revenues, including Miscellaneous Receipts, but excluding lottery funds and federal funds, collected or received by the Oregon Health Authority, for acquisition of land and the acquisition, planning, constructing, altering, repairing, furnishing and equipping of buildings and facilities for the Oregon State Hospital.

(2) Amounts expended under this section, when combined with amounts expended under section 1 (4), chapter 904, Oregon Laws 2009, may not exceed \$279,179,118.

SECTION 4. (1) Notwithstanding any other law limiting expenditures, the limitation on expenditures established by section 1 (1)(a), chapter 742, Oregon Laws 2007, for a six-year period beginning July 1, 2007, as the maximum limit for payment of expenses from fees, moneys or other revenues, including Miscellaneous Receipts, but excluding lottery funds and federal funds, collected or received by the Department of Transportation for Baker City highway facilities is increased by \$500,000.

(2) Notwithstanding any other law limiting expenditures, the limitation on expenditures established by section 1 (6), chapter 904, Oregon Laws 2009, for a six-year period beginning July 1, 2009, as the maximum limit for payment of expenses from fees, moneys or other revenues, including Miscellaneous Receipts, but excluding lottery funds and federal funds, collected or received by the State Forestry Department for land acquisition is increased by \$1,983,256.

SECTION 5. The project approvals and expenditure limitations in sections 1 and 2 of this 2011 Act expire on June 30, 2017, unless otherwise noted or unless changed by the Legislative Assembly.

SECTION 6. The expiration dates of the project approvals and expenditure limitations authorized by the Legislative Assembly for the following projects are extended to the following dates:

- (1) Oregon Military Department:
 - (a) The Dalles Readiness Center - design (other funds) ..June 30, 2015
 - (b) The Dalles Readiness Center - design (federal funds).....June 30, 2015
 - (c) Christmas Valley - solar array panels.....June 30, 2013
 - (d) Camp Rilea - waste water treatment plant.....June 30, 2013
 - (e) Camp Withycombe - infrastructure upgrades.....June 30, 2013
 - (f) Boardman Multipurpose Training RangeJune 30, 2013
 - (g) Washington County Readiness CenterJune 30, 2013
- (2) Oregon Department of Administrative Services,

1 Revenue Building reseal.....June 30, 2013

2 **SECTION 7.** The Legislative Assembly approves the proposal of the Oregon Military De-
 3 partment, submitted in accordance with ORS 396.515 (4), for the sale of:

- 4 (1) Oregon City Armory
- 5 (2) Lake Oswego Armory
- 6 (3) Tigard Armory and Field Maintenance Shop

7 **SECTION 8.** The State Board of Higher Education shall determine the capital renewal,
 8 code compliance and safety projects to be undertaken with moneys made available under
 9 section 9 (1)(a) of this 2011 Act on the basis of the board’s determination of the most critical
 10 capital renewal, code compliance and safety needs. In determining the capital renewal, code
 11 compliance and safety needs, the board shall give priority to projects that protect the health
 12 and safety of occupants and maintain the structural integrity of facilities. Capital renewal,
 13 code compliance and safety projects do not include acquisition of buildings, structures or
 14 land.

15 **SECTION 9.** Notwithstanding any other law limiting expenditures, the following amounts
 16 are established for a six-year period beginning July 1, 2011, as the maximum limits for pay-
 17 ment of expenses under this section from bond proceeds and other revenues, including fed-
 18 eral funds, collected or received by the Oregon University System, for the acquisition,
 19 construction, improvement, repair, equipping and furnishing of buildings, structures, land
 20 and other projects or parts thereof, within the Oregon University System, as indicated in the
 21 project title:

	Article		Other
	XI-F(1)	Lottery	Revenues
	Bonds	Bonds	(Including
			Federal
			Funds)
30 (1) Oregon University System:			
31 (a) Capital renewal, code			
32 compliance and safety	\$ -	\$ 25,000,000	\$ 10,000,000
33 (b) Miscellaneous student			
34 building fee projects	-	-	20,000,000
35 (2) Eastern Oregon University,			
36 Quinn Coliseum deferred			
37 maintenance	-	13,179,000	-
38 (3) Oregon Institute of			
39 Technology:			
40 (a) Portland campus			
41 consolidation	-	20,000,000	10,000,000
42 (b) Geothermal demonstration			
43 project	-	-	\$3,500,000
44 (4) Oregon State University:			
45 (a) New business education			

1	building	-	24,100,000	31,900,000
2	(b) Bookstore relocation	-	-	12,000,000
3	(c) University housing and			
4	dining upgrades	-	-	8,000,000
5	(d) Animal Sciences Education			
6	and Research Pavilion			
7	telecommunications equipment	-	-	2,000,000
8	(e) Cross-country track			
9	expanded scope	1,000,000	-	3,000,000
10	(f) Education Hall deferred			
11	maintenance interior space			
12	remodeling	-	-	6,000,000
13	(g) Cascades Campus Graduate			
14	Studies Building	-	2,000,000	3,000,000
15	(5) Portland State University:			
16	(a) Blumel Hall domestic			
17	water line replacement	7,000,000	-	-
18	(b) Land acquisition,			
19	City Tower	1	-	-
20	(6) Southern Oregon University			
21	Science Building deferred			
22	maintenance and seismic upgrade	-	21,000,000	-
23	(7) University of Oregon:			
24	(a) Steam service replacement	-	-	2,500,000
25	(b) Earl Hall fire system			
26	improvements	-	-	750,000
27	(c) Bean Hall exterior			
28	preservation	-	-	1,500,000
29	(d) Barnhart Hall envelope			
30	restoration	-	-	1,700,000
31	(e) Allen Hall expansion			
32	and remodel project	-	-	5,300,000
33	(f) Lewis Integrative			
34	Science Building II	-	-	10,000,000
35	(8) Western Oregon University:			
36	(a) Todd Hall renovation	-	-	1,200,000
37	(b) Natural Sciences Laboratory Annex	-	7,200,000	2,500,000
38	(9) Reserves	-	-	4,449,800

41 **SECTION 10.** Notwithstanding any other provision of this 2011 Act, the bond proceeds and
42 other revenues, including federal funds, the expenditures from which are limited by section
43 9 of this 2011 Act, are not available for expenditure before the effective date of this 2011 Act.
44 However, any action taken by the State Board of Higher Education prior to the effective date
45 of this 2011 Act or any contract entered into by the board prior to the effective date of this

1 2011 Act necessary for the acquisition, construction, improvement, repair, equipping and
2 furnishing of buildings, structures, land and other projects or parts thereof, authorized by
3 this 2011 Act, is hereby authorized.

4 **SECTION 11.** (1) The project approvals and expenditure limitations established in section
5 9 of this 2011 Act, and the expenditure limitations established by the Emergency Board dur-
6 ing the biennium beginning July 1, 2011, for capital construction or acquisition projects of
7 the Oregon University System expire on June 30, 2017, unless otherwise noted or unless
8 changed by the Legislative Assembly.

9 (2) The project approvals and expenditure limitations established by section 2 (6)(h),
10 chapter 787, Oregon Laws 2005, and increased by the Emergency Board at its April 2006
11 meeting, for capital construction or acquisition projects of the Oregon University System
12 expire on June 30, 2013, unless otherwise changed by the Legislative Assembly.

13 (3) The project approvals and expenditure limitations established by section 2 (4)(g),
14 (5)(g), 5(j), (6)(k) and (6)(p), chapter 787, Oregon Laws 2005, for capital construction or ac-
15 quisition projects of the Oregon University System expire on June 30, 2013, unless otherwise
16 changed by the Legislative Assembly.

17 (4) The project approvals and expenditure limitations established by section 2 (6)(e),
18 chapter 761, Oregon Laws 2007, and increased by the Emergency Board at its September 2010
19 meeting, for capital construction or acquisition projects of the Oregon University System
20 expire on June 30, 2013, unless otherwise changed by the Legislative Assembly.

21 (5) The project approvals and expenditure limitations established by the Emergency
22 Board at its September 2010 meeting for construction of student family housing at Western
23 Oregon University expire on June 30, 2017, unless otherwise changed by the Legislative As-
24 sembly.

25 (6) The project approvals and expenditure limitations established by section 3 (1), (6) and
26 (7), chapter 787, Oregon Laws 2005, for capital construction or acquisition projects at
27 Columbia Gorge Community College, Klamath Community College and Southwestern Oregon
28 Community College expire on June 30, 2012, unless otherwise changed by the Legislative As-
29 sembly.

30 (7) The project approval and expenditure limitation established by section 16 of this 2011
31 Act for Strand Agriculture Hall deferred maintenance at Oregon State University expires on
32 June 30, 2015, unless otherwise changed by the Legislative Assembly.

33 **SECTION 12.** Pursuant to Article XI-G of the Oregon Constitution, and ORS 286A.025 to
34 286A.095 and 351.345, the State Board of Higher Education may sell, with the approval of the
35 State Treasurer, general obligation bonds of the State of Oregon of the kind and character
36 and within the limits prescribed by Article XI-G of the Oregon Constitution, as the board
37 determines, but in no event may the board sell more than the aggregate principal sum of
38 \$17,608,000 par value for the biennium beginning July 1, 2011. The moneys realized from the
39 sale of the bonds shall be appropriated and may be expended for the purposes set forth in
40 section 6 (1)(d), (2)(a), (3), (4)(b) and (6)(b), chapter 904, Oregon Laws 2009, and for payment
41 for capitalized interest and costs incidental to issuance of the bonds.

42 **SECTION 13.** Notwithstanding the expenditure limitations established under section 9 of
43 this 2011 Act, the State Board of Higher Education may increase any limit for expenditures
44 from other revenues, including federal funds, prescribed by section 9 of this 2011 Act for a
45 specific project, if the expenditure limitation for bonds issued pursuant to Article XI-F(1) of

1 the Oregon Constitution, for the same project is reduced by the board in the same amount.

2 **SECTION 14.** (1) Notwithstanding the expenditure limitations established in section 9 of
3 this 2011 Act, and subject to subsection (2) of this section, the State Board of Higher Edu-
4 cation may expend amounts that exceed the expenditure limitations established under sec-
5 tion 9 (1) to (8) of this 2011 Act for other revenues, including federal funds, by the following
6 percentage amounts:

7 (a) For a project with a total expenditure limitation of \$500,000 to \$999,999 under section
8 9 (1) to (8) of this 2011 Act, up to 12 percent of the expenditure limitation for other revenues,
9 including federal funds.

10 (b) For a project with a total expenditure limitation of \$1,000,000 to \$4,999,999 under sec-
11 tion 9 (1) to (8) of this 2011 Act, up to eight percent of the expenditure limitation for other
12 revenues, including federal funds.

13 (c) For a project with a total expenditure limitation of \$5,000,000 to \$9,999,999 under sec-
14 tion 9 (1) to (8) of this 2011 Act, up to five percent of the expenditure limitation for other
15 revenues, including federal funds.

16 (d) For a project with a total expenditure limitation of \$10,000,000 or more under section
17 9 (1) to (8) of this 2011 Act, up to three percent of the expenditure limitation for other re-
18 venues, including federal funds.

19 (2) The total amount by which the expenditure limitations established in section 9 (1) to
20 (8) of this 2011 Act are exceeded under this section may not be greater than the sum of the
21 amounts established under section 9 (9) of this 2011 Act.

22 **SECTION 15.** For purposes of section 1, Article XI-F(1) of the Oregon Constitution, the
23 Legislative Assembly determines that the projects authorized to be financed pursuant to
24 sections 9 to 14 of this 2011 Act with bonds issued under Article XI-F(1) of the Oregon Con-
25 stitution, will benefit higher education institutions or activities.

26 **SECTION 16.** Notwithstanding any other law limiting expenditures, the amount of
27 \$4,847,000 is established for a six-year period beginning July 1, 2009, as the maximum limit
28 for payment of expenses under this section from Article XI-Q bond proceeds collected or
29 received by the Oregon University System for Strand Agriculture Hall deferred maintenance
30 at Oregon State University.

31 **SECTION 17.** Section 6, chapter 904, Oregon Laws 2009, as amended by section 3, chapter 99,
32 Oregon Laws 2010, is amended to read:

33 **Sec. 6.** Notwithstanding any other law limiting expenditures, the following amounts are estab-
34 lished for a six-year period beginning July 1, 2009, as the maximum limit for payment of expenses
35 under this section from bond proceeds and other revenues, including federal funds, collected or re-
36 ceived by the Oregon University System, for the acquisition of land, improvements to land and the
37 acquisition, planning, constructing, altering, repairing, furnishing and equipping of buildings, facili-
38 ties and other projects within the Oregon University System:

						Other
						Revenues
	Article	Article				(including
	XI-G	XI-F(1)	Lottery	Energy		Federal
	Bonds	Bonds	Bonds	Loans	COPs	Funds)

1	(1) Oregon University						
2	System						
3	(a) Capital renewal, code						
4	compliance and safety	\$ -	\$ -	\$ -	\$ -	\$ 20,286,000	\$ -
5	(b) South Waterfront Life						
6	Sciences Facility	50,000,000	60,000,000	-	-	-	90,000,000
7	[(c) Oregon Center for]						
8	[Sustainability	-	80,000,000	-	-	-	-]
9	[(d)] (c) Biofuels demonstration						
10	project	4,000,000	-	-	-	-	4,000,000
11	[(e)] (d) Wind demonstration						
12	project	-	-	-	-	-	4,000,000
13	(2) Eastern Oregon						
14	University						
15	(a) Zabel Hall						
16	deferred maintenance	1,522,000	-	2,215,000	2,706,000	-	-
17	(b) Pierce Library						
18	project	4,000,000	-	-	-	4,000,000	-
19	(3) Oregon Institute of						
20	Technology geothermal						
21	renewable energy						
22	demonstration project	2,000,000	2,000,000	-	-	-	2,600,000
23	(4) Oregon State						
24	University						
25	(a) Education Hall						
26	additional structural						
27	deficiencies deferred						
28	maintenance	-	-	4,000,000	-	-	-
29	(b) Strand Agriculture						
30	Hall deferred						
31	maintenance	6,586,000	-	6,586,000	6,851,000	[4,847,000]	-
32	(c) Bates Hall/Hallie Ford						
33	Healthy Children and						
34	Families Center	5,000,000	-	-	-	-	5,000,000
35	(d) Student Success						
36	Center	2,054,000	-	4,554,000	-	-	7,392,000
37	(e) Cultural Center	-	10,000,000	-	-	-	-
38	(f) International Residence						
39	Hall	-	52,000,000	-	-	-	-
40	(g) Sports Performance						
41	Center	-	12,000,000	-	-	-	-
42	(h) CH2M Hill Alumni						
43	Center	-	-	-	-	-	4,200,000
44	(i) Sonpark/EPA acquisition,						
45	OF COPs	-	-	-	-	1,900,000	-

1	(j) Warehouse acquisition,						
2	OF COPs	-	-	-	-	1,000,000	-
3	(k) Intramural Outdoor						
4	Sports Complex	-	7,450,000	-	-	-	300,000
5	(L) McAlexander Field House	-	3,250,000	-	-	-	500,000
6	(5) Portland State						
7	University						
8	(a) Science Research and						
9	Teaching Center/Hazardous						
10	Waste Facility, phase 2	2,500,000	-	-	-	-	2,500,000
11	[(b) City Tower acquisition	-	-	-	-	1	-]
12	[(c)] (b) Market Center						
13	acquisition	-	-	-	-	24,000,000	-
14	[(d)] (c) Land acquisition	-	8,000,000	-	-	-	-
15	[(e)] (d) Lincoln Hall	-	-	-	-	-	4,500,000
16	(6) Southern Oregon						
17	University						
18	(a) Churchill Hall						
19	deferred maintenance	-	-	-	2,730,000	3,192,000	-
20	(b) Theatre Arts building						
21	expansion and remodel	5,500,000	-	-	-	-	5,500,000
22	(7) University of Oregon						
23	(a) Allen Hall expansion						
24	and remodel	7,500,000	-	-	-	-	7,500,000
25	(b) Straub Memorial Hall						
26	deferred maintenance	-	-	-	8,998,000	4,321,000	-
27	(c) Power Station, phase 2,						
28	waste gasification						
29	demonstration project	-	29,150,000	5,000,000	13,502,000	3,663,000	5,000,000
30	(d) Erb Memorial Union,						
31	partial renovation,						
32	West Lower Level	-	2,260,000	-	-	-	300,000
33	(e) Chiles Center						
34	renovations	-	-	-	-	-	1,000,000
35	(f) Alumni Center Project	-	9,975,000	-	-	-	6,825,000
36	(g) Riverfront Research						
37	Park, Technology						
38	Business Incubator	-	-	-	-	-	1,500,000
39	(h) Barnhart Hall building						
40	envelope restoration	-	-	-	-	-	900,000
41	(i) Carson Hall electrical						
42	upgrade	-	-	-	-	-	560,000
43	(j) Earl Complex building						
44	envelope, electrical and						
45	mechanical systems	-	2,924,000	-	-	-	-

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1	(k) New student housing	-	75,000,000	-	-	-	-
2	(8) Reserves	-	11,390,970	-	-	-	5,771,710
3	(9) Commercial paper						
4	capitalized interest						
5	pilot project	-	5,000,000	-	-	-	-
6	<hr/>						

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8 **SECTION 18. This 2011 Act being necessary for the immediate preservation of the public**
9 **peace, health and safety, an emergency is declared to exist, and this 2011 Act takes effect**
10 **on its passage.**

11