

SENATE AMENDMENTS TO SENATE BILL 19

By COMMITTEE ON FINANCE AND REVENUE

March 4

1 On page 1 of the printed bill, line 2, after “bonds;” insert “creating new provisions; amending
2 sections 6, 9 and 10, chapter 904, Oregon Laws 2009; repealing section 17, chapter 904, Oregon Laws
3 2009;”.

4 In line 4, delete “6” and insert “7”.

5 In line 6, delete “6” and insert “7”.

6 Delete lines 17 through 20 and insert:

7 “(C) Paying the fees, administrative costs and expenses of the State Treasurer, the Oregon De-
8 partment of Administrative Services or the project agency, including the costs of consultants or
9 advisers retained by the State Treasurer, the department or the project agency.”.

10 In line 25, delete “related” and insert “project”.

11 After line 27, insert:

12 “(3) ‘Project agency’ means a state agency that administers a project that is financed with Ar-
13 ticle XI-Q bond proceeds.”.

14 On page 2, line 4, delete “At the request of a related agency”.

15 In line 7, after “for” insert “Article XI-Q”.

16 In line 8, delete “for the related agency”.

17 Delete lines 14 through 25 and insert:

18 “(c) Paying bond-related costs.

19 “(3) The State Treasurer shall deposit the net proceeds of Article XI-Q bonds issued in one or
20 more project funds established in the State Treasury or with a third party approved by the State
21 Treasurer. Net proceeds must be expended in accordance with procedures established by the Oregon
22 Department of Administrative Services for the purposes described in each project agency’s budget
23 authorization.

24 “(4) If at any time the Oregon Department of Administrative Services and the project agency
25 determine that the net proceeds of Article XI-Q bonds deposited in a project fund pursuant to sub-
26 section (3) of this section exceed the amount necessary for the purpose described in the project
27 agency’s budget authorization, the department may allocate and transfer the excess amount as de-
28 termined by the department to other project funds, the Article XI-Q Bond Fund established under
29 section 4 of this 2011 Act or the Article XI-Q Bond Administration Fund established under section
30 5 of this 2011 Act.”.

31 In line 42, delete “and”.

32 In line 43, delete the period and insert “; and

33 “(e) Amounts paid by a project agency under section 6 of this 2011 Act.”.

34 On page 3, line 11, delete “and”.

35 In line 12, delete the period and insert “; and

1 “(d) Amounts paid by a project agency under section 6 of this 2011 Act.”.

2 Delete lines 15 through 19 and insert:

3 **“SECTION 6. (1) The Oregon Department of Administrative Services shall adopt proce-**
4 **dures under which a project agency may request:**

5 **“(a) Financing for real or personal property projects that may be financed with Article**
6 **XI-Q bond proceeds; or**

7 **“(b) Refinancing of borrowings issued before the effective date of Article XI-Q of the**
8 **Oregon Constitution that financed or refinanced real or personal property projects that**
9 **would have been eligible for financing under Article XI-Q. The department may periodically**
10 **bill any project agency for an appropriate share of the bond-related costs of the bonds issued**
11 **to finance the agency’s projects or refinance the agency’s bonds. The department may bill**
12 **at such intervals as are established in the department’s procedures and shall deposit**
13 **amounts paid by project agencies in the Article XI-Q Bond Fund or the Article XI-Q Bond**
14 **Administration Fund as the department determines is appropriate. A project agency that**
15 **receives a bill for bond-related costs shall pay the amount billed by the time and in the**
16 **manner designated in the billing statement from amounts budgeted under section 7 of this**
17 **2011 Act or, if necessary, from any other amounts lawfully available for expenditure by the**
18 **project agency for that purpose.**

19 **“(2) The State Treasurer may authorize a project agency or the department to act as a**
20 **related agency under this chapter if necessary or desirable for the issuance or administration**
21 **of Article XI-Q bonds, including, without limitation, entering into contracts or covenants as**
22 **provided in ORS 286A.025. However, neither a project agency nor the department may re-**
23 **quest the State Treasurer to issue Article XI-Q bonds.**

24 **“(3) If Article XI-Q bonds are issued to refinance bonds issued before the effective date**
25 **of Article XI-Q of the Oregon Constitution, and the bond-related costs of the refinanced**
26 **bonds were paid by state agencies under ORS 283.091, under one of the programs described**
27 **in ORS 291.445 (7) or under a revenue bond program of this state, the state agency whose**
28 **bonds are refinanced may pay the amounts billed under subsection (1) of this section from**
29 **the sources of funds previously used by the agency to pay the refinanced bonds or from any**
30 **other funds lawfully available for payment of the Article XI-Q bonds.**

31 **“(4) A project agency that receives or holds proceeds of Article XI-Q bonds shall, at the**
32 **direction of the department, take action necessary to obtain and maintain:**

33 **“(a) The excludability of interest on Article XI-Q bonds from gross income under the**
34 **Internal Revenue Code; or**

35 **“(b) A federal interest subsidy payment or any other tax-advantaged status granted un-**
36 **der the Internal Revenue Code for the Article XI-Q bonds.**

37 **“SECTION 7. A project agency shall request that the Governor include in the Governor’s**
38 **budget request to the Legislative Assembly for each biennium amounts that are sufficient**
39 **to pay:**

40 **“(1) The costs of a project financed or to be financed by the issuance of Article XI-Q**
41 **bonds during the biennium;**

42 **“(2) Amounts billed during the biennium by the Oregon Department of Administrative**
43 **Services under section 6 of this 2011 Act; and**

44 **“(3) The bond-related costs associated with the projects financed or to be financed with**
45 **Article XI-Q bonds.**

1 “**SECTION 8.** In addition to and not in lieu of amounts previously authorized, as provided
 2 in **ORS 286A.035 (4)**, for issuance of general obligation bonds during the biennium beginning
 3 **July 1, 2009**, the amount of **\$343,320,000** is authorized for Oregon Department of Administra-
 4 **tive Services Article XI-Q general obligation bonds.**

5 “**SECTION 9.** Section 6, chapter 904, Oregon Laws 2009, as amended by section 3, chapter 99,
 6 Oregon Laws 2010, is amended to read:

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

13 “

	Article	Article	Article	Lottery	Energy		Other
	XI-G	XI-F(1)	XI-Q				Revenues
	Bonds	Bonds	Bonds	Bonds	Loans	COPs	(including
							Federal
							Funds)
21 (1) Oregon University							
22 System							
23 (a) Capital renewal,							
24 code compliance							
25 and safety	⌘	⌘	\$20,286,000	⌘	⌘	⌘ [\$20,286,000]	⌘
26 (b) South Waterfront							
27 Life Sciences							
28 Facility	50,000,000	60,000,000	-	-	-	-	90,000,000
29 (c) Oregon Center							
30 for Sustainability	-	80,000,000	-	-	-	-	-
31 (d) Biofuels							
32 demonstration							
33 project	4,000,000	-	-	-	-	-	4,000,000
34 (e) Wind							
35 demonstration							
36 project	-	-	-	-	-	-	4,000,000
37 (2) Eastern Oregon							
38 University							
39 (a) Zabel Hall							
40 deferred							
41 maintenance	1,522,000	-	-	2,215,000	2,706,000	-	-
42 (b) Pierce Library							
43 project	[4,000,000]	-	8,000,000	-	-	[4,000,000]	-
44 (3) Oregon Institute of							
45 Technology geothermal							

1	renewable energy							
2	demonstration							
3	project	2,000,000	2,000,000	-	-	-	-	2,600,000
4	(4) Oregon State							
5	University							
6	(a) Education Hall							
7	additional structural							
8	deficiencies deferred							
9	maintenance	-	-	-	4,000,000	-	-	-
10	(b) Strand Agriculture							
11	Hall deferred							
12	maintenance	6,586,000	-	4,847,000	6,586,000	6,851,000	[4,847,000]	-
13	(c) Bates Hall/							
14	Hallie Ford							
15	Healthy Children							
16	and Families							
17	Center	5,000,000	-	-	-	-	-	5,000,000
18	(d) Student Success							
19	Center	2,054,000	-	-	4,554,000	-	-	7,392,000
20	(e) Cultural Center	-	10,000,000	-	-	-	-	-
21	(f) International							
22	Residence Hall	-	52,000,000	-	-	-	-	-
23	(g) Sports Performance							
24	Center	-	12,000,000	-	-	-	-	-
25	(h) CH2M Hill							
26	Alumni Center	-	-	-	-	-	-	4,200,000
27	(i) Sonpark/EPA							
28	acquisition,							
29	OF COPs	-	-	-	-	-	1,900,000	-
30	(j) Warehouse							
31	acquisition,							
32	OF COPs	-	-	-	-	-	1,000,000	-
33	(k) Intramural Outdoor							
34	Sports Complex	-	7,450,000	-	-	-	-	300,000
35	(L) McAlexander							
36	Field House	-	3,250,000	-	-	-	-	500,000
37	(5) Portland State							
38	University							
39	(a) Science Research							
40	and Teaching Center/							
41	Hazardous Waste							
42	Facility, phase 2	2,500,000	-	-	-	-	-	2,500,000
43	(b) City Tower							
44	acquisition	-	-	-	-	-	1	-
45	(c) Market Center							

1	acquisition	-	-	-	-	-	24,000,000	-
2	(d) Land acquisition	-	8,000,000	-	-	-	-	-
3	(e) Lincoln Hall	-	-	-	-	-	-	4,500,000
4	(6) Southern Oregon							
5	University							
6	(a) Churchill Hall							
7	deferred maintenance	-	-	3,192,000	-	2,730,000	[3,192,000]	-
8	(b) Theatre Arts							
9	building expansion							
10	and remodel	5,500,000	-	-	-	-	-	5,500,000
11	(7) University of							
12	Oregon							
13	(a) Allen Hall							
14	expansion							
15	and remodel	7,500,000	-	-	-	-	-	7,500,000
16	(b) Straub Memorial							
17	Hall deferred							
18	maintenance	-	-	4,321,000	-	8,998,000	[4,321,000]	-
19	(c) Power Station,							
20	phase 2, waste							
21	gasification							
22	demonstration							
23	project	-	29,150,000	3,663,000	5,000,000	13,502,000	[3,663,000]	5,000,000
24	(d) Erb Memorial Union,							
25	partial renovation,							
26	West Lower Level	-	2,260,000	-	-	-	-	300,000
27	(e) Chiles Center							
28	renovations	-	-	-	-	-	-	1,000,000
29	(f) Alumni Center							
30	Project	-	9,975,000	-	-	-	-	6,825,000
31	(g) Riverfront							
32	Research Park,							
33	Technology							
34	Business Incubator	-	-	-	-	-	-	1,500,000
35	(h) Barnhart Hall							
36	building envelope							
37	restoration	-	-	-	-	-	-	900,000
38	(i) Carson Hall							
39	electrical upgrade	-	-	-	-	-	-	560,000
40	(j) Earl Complex							
41	building envelope,							
42	electrical and							
43	mechanical systems	-	2,924,000	-	-	-	-	-
44	(k) New student							
45	housing	-	75,000,000	-	-	-	-	-

1	(8) Reserves	-	11,390,970	-	-	-	-	5,771,710
2	(9) Commercial paper							
3	capitalized interest							
4	pilot project	-	5,000,000	-	-	-	-	-

5 “ _____
6

7 **“SECTION 10.** Section 9, chapter 904, Oregon Laws 2009, as amended by section 6, chapter 99,
8 Oregon Laws 2010, is amended to read:

9 **“Sec. 9.** (1) Except as provided in subsection (3) of this section, the project approvals and ex-
10 penditure limitations in chapter 904, Oregon Laws 2009, and the expenditure limitations established
11 by the Emergency Board during the biennium beginning July 1, 2009, for capital construction or
12 acquisition projects of the Oregon University System and of the Department of Community Colleges
13 and Workforce Development for community colleges, expire on June 30, 2015, unless otherwise noted
14 or unless changed by the Legislative Assembly.

15 **“(2)** The project approvals and expenditure limitations established by section 2 (5)(b), (e) and (i),
16 chapter 725, Oregon Laws 2003, and section 2 (3)(h), chapter 845, Oregon Laws 2001, for capital
17 construction or acquisition projects of the Oregon University System expire on June 30, 2011, unless
18 otherwise changed by the Legislative Assembly.

19 **“(3)** The project approvals and expenditure limitations in section 6 (4)(c), (k) and (L), (5)(c) and
20 (e) and (7)(k), chapter 904, Oregon Laws 2009, and the expenditure limitations established by the
21 Emergency Board during the biennium beginning July 1, 2009, for capital construction or acquisition
22 projects of the Oregon University System described in section 6 (4)(c), (k) and (L), (5)(c) and (e) and
23 (7)(k), chapter 904, Oregon Laws 2009, expire on June 30, 2015, unless otherwise noted or unless
24 changed by the Legislative Assembly.

25 **“(4) The project approvals and expenditure limitations in section 6 (1)(a), (2)(b), (4)(b),**
26 **(6)(a) and (7)(b) and (c), chapter 904, Oregon Laws 2009, expire on June 30, 2015, unless pro-**
27 **vided otherwise.**

28 **“SECTION 11.** Section 10, chapter 904, Oregon Laws 2009, as amended by section 7, chapter
29 99, Oregon Laws 2010, is amended to read:

30 **“Sec. 10.** (1) Pursuant to Article XI-G of the Oregon Constitution and ORS 351.345 and ORS
31 chapter 286A, the State Board of Higher Education may sell, with the approval of the State Treas-
32 urer, general obligation bonds of the State of Oregon of the kind and character and within the limits
33 prescribed by Article XI-G of the Oregon Constitution, as the board determines, but in no event may
34 the board sell more than the aggregate principal sum of [~~\$143,900,479~~] **\$140,909,479** par value for the
35 biennium beginning July 1, 2009. The moneys realized from the sale of the bonds shall be appropri-
36 ated and may be expended for the purposes set forth in section 2 (3)(h), chapter 845, Oregon Laws
37 2001, section 2 (6)(h) and (p), chapter 787, Oregon Laws 2005, section 2 (4)(a) and (L), (5)(h) and (6)(g)
38 and (h), chapter 761, Oregon Laws 2007, **and** section 6 (1)(b) and (d), (2)(a) [~~and (b)~~], (3), (4)(b), (c)
39 and (d), (5)(a), (6)(b) and (7)(a), chapter 904, Oregon Laws 2009, and for payment for capitalized in-
40 terest and costs incidental to issuance of the bonds.

41 **“(2)** In compliance with the requirements of Article XI-G of the Oregon Constitution, funds
42 available under the expenditure limitation for bonds issued pursuant to Article XI-G of the Oregon
43 Constitution in section 6 (1)(b), chapter 904, Oregon Laws 2009, are matched with the General Fund
44 appropriation made under section 14, chapter 904, Oregon Laws 2009.

45 **“(3)** In compliance with the requirements of Article XI-G of the Oregon Constitution, funds

1 available under the expenditure limitation for bonds issued pursuant to Article XI-G of the Oregon
2 Constitution in section 6 (1)(d), chapter 904, Oregon Laws 2009, are matched with the General Fund
3 appropriation made under section 15, chapter 904, Oregon Laws 2009.

4 “(4) In compliance with the requirements of Article XI-G of the Oregon Constitution, funds
5 available under the expenditure limitation for bonds issued pursuant to Article XI-G of the Oregon
6 Constitution in section 6 (2)(a), chapter 904, Oregon Laws 2009, are matched with the General Fund
7 appropriation made under section 16, chapter 904, Oregon Laws 2009.

8 “[5] *In compliance with the requirements of Article XI-G of the Oregon Constitution, funds avail-*
9 *able under the expenditure limitation for bonds issued pursuant to Article XI-G of the Oregon Consti-*
10 *tution in section 6 (2)(b), chapter 904, Oregon Laws 2009, are matched with the General Fund*
11 *appropriation made under section 17, chapter 904, Oregon Laws 2009.*]

12 “[6] (5) In compliance with the requirements of Article XI-G of the Oregon Constitution, funds
13 available under the expenditure limitation for bonds issued pursuant to Article XI-G of the Oregon
14 Constitution in section 6 (3), chapter 904, Oregon Laws 2009, are matched with the General Fund
15 appropriation made under section 18, chapter 904, Oregon Laws 2009.

16 “[7] (6) In compliance with the requirements of Article XI-G of the Oregon Constitution, funds
17 available under the expenditure limitation for bonds issued pursuant to Article XI-G of the Oregon
18 Constitution in section 6 (4)(b), chapter 904, Oregon Laws 2009, are matched with the General Fund
19 appropriation made under section 19, chapter 904, Oregon Laws 2009.

20 “[8] (7) In compliance with the requirements of Article XI-G of the Oregon Constitution, funds
21 available under the expenditure limitation for bonds issued pursuant to Article XI-G of the Oregon
22 Constitution in section 6 (4)(c), chapter 904, Oregon Laws 2009, are matched with the General Fund
23 appropriation made under section 20, chapter 904, Oregon Laws 2009.

24 “[9] (8) In compliance with the requirements of Article XI-G of the Oregon Constitution, funds
25 available under the expenditure limitation for bonds issued pursuant to Article XI-G of the Oregon
26 Constitution in section 6 (4)(d), chapter 904, Oregon Laws 2009, are matched with the General Fund
27 appropriation made under section 21, chapter 904, Oregon Laws 2009.

28 “[10] (9) In compliance with the requirements of Article XI-G of the Oregon Constitution, funds
29 available under the expenditure limitation for bonds issued pursuant to Article XI-G of the Oregon
30 Constitution in section 6 (5)(a), chapter 904, Oregon Laws 2009, are matched with the General Fund
31 appropriation made under section 22, chapter 904, Oregon Laws 2009.

32 “[11] (10) In compliance with the requirements of Article XI-G of the Oregon Constitution,
33 funds available under the expenditure limitation for bonds issued pursuant to Article XI-G of the
34 Oregon Constitution in section 6 (6)(b), chapter 904, Oregon Laws 2009, are matched with the Gen-
35 eral Fund appropriation made under section 23, chapter 904, Oregon Laws 2009.

36 “[12] (11) In compliance with the requirements of Article XI-G of the Oregon Constitution,
37 funds available under the expenditure limitation for bonds issued pursuant to Article XI-G of the
38 Oregon Constitution in section 6 (7)(a), chapter 904, Oregon Laws 2009, are matched with the Gen-
39 eral Fund appropriation made under section 24, chapter 904, Oregon Laws 2009.

40 “**SECTION 12, Section 17, chapter 904, Oregon Laws 2009, is repealed.**”.

41 In line 20, delete “7” and insert “13”.