

SENATE AMENDMENTS TO SENATE BILL 20

By COMMITTEE ON FINANCE AND REVENUE

April 27

1 On page 1 of the printed bill, line 2, after “ORS” insert “287A.300,” and after “305.583” delete
2 the rest of the line and line 3 and insert “and 441.555.”.

3 Delete lines 5 through 28.

4 On page 2, delete lines 1 through 5 and insert:

5 “**SECTION 1.** ORS 287A.360 is amended to read:

6 “287A.360. (1) In addition to any other authority to issue refunding bonds, a public body may
7 issue current refunding bonds to refund **or purchase** its outstanding bonds [*pursuant to this*
8 *section*].

9 “(2) A public body may secure current refunding bonds with any of the revenues and covenants
10 that the public body could have used to secure the refunded **or purchased** bonds **under the law**
11 **in effect when the refunded or purchased bonds were issued** and with revenues and covenants
12 [*authorized by law when the refunding bonds are issued.*] **that the public body could have used to**
13 **secure the refunded or purchased bonds if the laws that are in effect when the current re-**
14 **funding bonds are issued were in effect when the refunded or purchased bonds were issued.**

15 “(3) A public body may [*issue*] **authorize current refunding bonds by resolution or ordinance**
16 **without complying with the procedural requirements that applied to the refunded or pur-**
17 **chased bonds, including issuing:**

18 “(a) General obligation bonds to refund **or purchase** outstanding general obligation bonds
19 without obtaining approval of the electors of the public body.

20 “(b) Revenue bonds to refund **or purchase** revenue bonds that were issued in accordance with
21 ORS 287A.150 without complying with the procedures prescribed in ORS 287A.150.

22 “(4) **The maturities of current refunding bonds authorized by this section may not exceed**
23 **by more than six months:**

24 “(a) **Maturity limits that were established by the electors for the refunded or purchased**
25 **bonds; and**

26 “(b) **A maturity limit imposed by a provision of a constitution, charter or statute that**
27 **applied to the refunded or purchased bonds, if the provision imposing the limit is in effect**
28 **when the current refunding bonds are issued.**

29 “**SECTION 2.** ORS 287A.365 is amended to read:

30 “287A.365. (1) The Legislative Assembly declares that the issuance of advance refunding bonds
31 and the authority to effect a forward current refunding are matters of general statewide concern,
32 and ORS 287A.360 to 287A.380 preempt all local statutory or charter authority to issue advance
33 refunding bonds or to effect a forward current refunding.

34 “(2) A public body may issue advance refunding bonds or enter into forward current refundings
35 in compliance with:

1 “(a) ORS 287A.360 to 287A.380; and

2 “(b) Rules adopted by the State Treasurer.

3 “(3) A public body may secure advance refunding bonds **and forward current refunding bonds**
4 with any of the revenues and covenants that the public body could have used to secure the refunded
5 bonds **under the law in effect when the refunded bonds were issued** and with revenues and
6 covenants [*authorized by law when the refunding bonds are issued.*] **that the public body could have**
7 **used to secure the refunded bonds if the laws that are in effect when the refunding bonds**
8 **are issued were in effect when the refunded bonds were issued.**

9 “(4) **The maturities of advance refunding bonds and forward current refunding bonds**
10 **authorized by this section may not exceed by more than six months:**

11 “(a) **Maturity limits that were established by the electors for the refunded bonds; and**

12 “(b) **A maturity limit imposed by a provision of a constitution, charter or statute that**
13 **applied to the refunded bonds, if the provision imposing the limit is in effect when the re-**
14 **funding bonds are issued.**

15 “**SECTION 2a.** ORS 287A.300 is amended to read:

16 “287A.300. (1) Notwithstanding [*a limitation in*] a local charter **or statutory limitation**, when
17 a public body is authorized by law to issue bonds, the public body may:

18 “(a) Combine bonds authorized by different laws or actions of the governing body into a single
19 issue and use a single disclosure document if the bonds in the issue will have the same security, or
20 may use a single disclosure document for bonds authorized by different laws or actions of the gov-
21 erning body if the bonds have different security.

22 “(b) Structure, market and issue bonds in the manner that the public body determines is in the
23 best interest of the people served by the public body.

24 “(c) Sell bonds at a competitive sale or a negotiated sale or in any other manner determined by
25 the public body.

26 “(d) Issue bonds the interest on which is exempt from federal income taxes or is not exempt from
27 federal income taxes.

28 “(e) Establish the maturity dates for bonds to provide for short-term, interim or long-term bor-
29 rowing and establish the principal amounts, redemption provisions, optional or mandatory tender
30 provisions, interest rates or method for determining a variable or adjustable interest rate, denomi-
31 nations and other terms and conditions of the bonds.

32 “(f) Determine the form and content of bond disclosure documents.

33 “(g) Enter into an agreement with and retain the services of bond counsel and other providers
34 of bond-related services.

35 “(h) Execute and deliver indentures, bond purchase agreements, trust agreements, remarketing
36 agreements, auction agent agreements, broker dealer agreements, tender agent agreements, escrow
37 agreements and other contracts related to the sale, issuance, security for or administration of the
38 bonds.

39 “(i) Enter into agreements with bond trustees and deposit moneys with trustees for the benefit
40 of bond owners and the providers of credit enhancement devices for bonds.

41 “(j) Enter into covenants for the benefit of bond owners or the providers of credit enhancement
42 devices or agreements for exchange of interest rates, including but not limited to covenants re-
43 garding the issuance of additional bonds and rate covenants.

44 “(k) Enter into covenants for the benefit of owners of bonds that are intended to allow bonds
45 to bear interest that is excludable from gross income under the federal Internal Revenue Code or

1 that is otherwise exempt from taxation by the United States.

2 “(L) Take action to comply with covenants.

3 “(m) Establish bond debt service reserves.

4 “(n) Fund debt service reserves out of bond proceeds or from other revenues.

5 “(o) Specify the individuals who may sign the bonds on behalf of the public body.

6 “(2) When the Oregon Constitution, a charter, a statute, an ordinance or a resolution authorizes
7 a public body to spend bond proceeds for a particular purpose, the public body may also spend bond
8 proceeds to finance costs of issuing, administering and repaying the bonds, including costs of the
9 services of bond counsel or other providers of bond-related services, and to pay the costs of a credit
10 enhancement device or agreement for exchange of interest rates.

11 “(3) When a public body redeems bonds, the public body shall give notice of redemption in the
12 manner specified in the documents authorizing the bonds to be redeemed.

13 “(4) A public body may delegate to an elected or appointed official or an employee of the public
14 body the authority to take an action described in subsection (1) of this section.

15 “(5) Except as provided otherwise in this subsection, at least one of the signatures of bond
16 signatories must be provided in manual form. However, if the bonds are to be authenticated by at
17 least one signature in manual form, all signatures of bond signatories may be in facsimile form.”.

18 On page 4, delete lines 15 through 20 and insert:

19 “(12) In the case of a question concerning the authorized uses of the proceeds of bonded
20 indebtedness, the petition must be filed within 60 days after the adoption of the ordinance or resol-
21 ution described in subsection (9)(b) of this section or, if the governing body has not published the
22 notice described in subsection (9)(b) of this section, the petition must be filed within 180 days after
23 the questioned use of the proceeds is made.”.

24 On page 5, delete lines 39 through 45 and delete pages 6 through 9.