

# Senate Bill 5533

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## 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 **as introduced**.

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.

Sets expiration date on project approvals and expenditure limitations.

Extends expiration dates on certain project approvals and expenditure limitations.

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.

Declares emergency, effective July 1, 2011.

## A BILL FOR AN ACT

Relating to state financial administration; limiting expenditures; and declaring an emergency.

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

**SECTION 1.** The State Board of Higher Education shall determine the capital renewal, code compliance and safety projects to be undertaken with moneys made available under section 2 (1)(a) of this 2011 Act on the basis of the board's determination of the most critical capital renewal, code compliance and safety needs. In determining the capital renewal, code compliance and safety needs, the board shall give priority to projects that protect the health and safety of occupants and maintain the structural integrity of facilities. Capital renewal, code compliance and safety projects do not include acquisition of buildings, structures or land.

**SECTION 2.** Notwithstanding any other law limiting expenditures, the following amounts are established for a six-year period beginning July 1, 2011, as the maximum limit for payment of expenses under this section from bond proceeds and other revenues, including federal funds, collected or received by the Oregon University System, for the acquisition, construction, improvement, repair, equipping and furnishing of buildings, structures, land and other projects or parts thereof, within the Oregon University System, as indicated in the project title:

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|  |                |                |                   |
|--|----------------|----------------|-------------------|
|  |                |                | <b>Other</b>      |
|  |                |                | <b>Revenues</b>   |
|  |                |                | <b>(Including</b> |
|  | <b>Article</b> |                | <b>Federal</b>    |
|  | <b>XI-F(1)</b> | <b>Lottery</b> | <b>Funds)</b>     |
|  | <b>Bonds</b>   | <b>Bonds</b>   |                   |

**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  | (1) Oregon University System    |            |               |               |
| 2  | (a) Capital renewal, code       |            |               |               |
| 3  | compliance and safety           | \$ -       | \$ 51,400,000 | \$ 10,000,000 |
| 4  | (b) Miscellaneous student       |            |               |               |
| 5  | building fee projects           | 20,000,000 | -             | 20,000,000    |
| 6  | (2) Eastern Oregon University,  |            |               |               |
| 7  | Quinn Coliseum deferred         |            |               |               |
| 8  | maintenance                     | -          | 13,179,000    | -             |
| 9  | (3) Oregon Institute of         |            |               |               |
| 10 | Technology Portland campus      |            |               |               |
| 11 | consolidation                   | -          | 20,000,000    | 10,000,000    |
| 12 | (4) Oregon State University     |            |               |               |
| 13 | (a) New business education      |            |               |               |
| 14 | building                        | -          | 24,100,000    | 31,900,000    |
| 15 | (b) Student Experience Center   | 40,700,000 | -             | -             |
| 16 | (c) Memorial Union renovation   | 11,000,000 | -             | -             |
| 17 | (d) New residence hall          | 30,000,000 | -             | -             |
| 18 | (e) Bookstore relocation        | -          | -             | 12,000,000    |
| 19 | (f) Arnold Dining Center        |            |               |               |
| 20 | renovation phase 2              | 5,000,000  | -             | -             |
| 21 | (g) Student family housing      | 16,250,000 | -             | -             |
| 22 | (h) University housing and      |            |               |               |
| 23 | dining upgrades: Poling Hall,   |            |               |               |
| 24 | Cauthorn Hall and Cooperative   |            |               |               |
| 25 | House                           | -          | -             | 8,000,000     |
| 26 | (i) United States Geological    |            |               |               |
| 27 | Survey facility                 | -          | -             | 13,860,000    |
| 28 | (j) Animal Sciences Education   |            |               |               |
| 29 | and Research Pavilion           |            |               |               |
| 30 | telecommunications equipment    | -          | -             | 2,000,000     |
| 31 | (k) Cross-country track         |            |               |               |
| 32 | expanded scope                  | 4,000,000  | -             | -             |
| 33 | (L) Education Hall deferred     |            |               |               |
| 34 | maintenance interior space      |            |               |               |
| 35 | remodeling                      | -          | -             | 6,000,000     |
| 36 | (m) Sports Performance Center   |            |               |               |
| 37 | expanded scope                  | 3,000,000  | -             | -             |
| 38 | (5) Portland State University   |            |               |               |
| 39 | (a) Blumel Hall domestic        |            |               |               |
| 40 | water line replacement          | 7,000,000  | -             | -             |
| 41 | (b) Land acquisition            | 1          | -             | -             |
| 42 | (c) New student housing         | 1          | -             | -             |
| 43 | (6) Southern Oregon University  |            |               |               |
| 44 | Science Building deferred       |            |               |               |
| 45 | maintenance and seismic upgrade | -          | 21,000,000    | -             |

|    |                               |           |           |           |
|----|-------------------------------|-----------|-----------|-----------|
| 1  | (7) University of Oregon      |           |           |           |
| 2  | (a) Parking structure         | 1         | -         | -         |
| 3  | (b) Steam service replacement | -         | -         | 2,500,000 |
| 4  | (c) Earl Hall fire system     |           |           |           |
| 5  | improvements                  | -         | -         | 750,000   |
| 6  | (d) Bean Hall exterior        |           |           |           |
| 7  | preservation                  |           | -         | 1,500,000 |
| 8  | (e) Barnhart Hall envelope    |           |           |           |
| 9  | restoration                   | -         | -         | 1,700,000 |
| 10 | (8) Western Oregon University |           |           |           |
| 11 | Todd Hall renovation          | -         | 7,200,000 | 3,700,000 |
| 12 | (9) Reserves                  | 4,698,500 | -         | 4,449,800 |

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15       **SECTION 3.** Notwithstanding any other provision of this 2011 Act, the bond proceeds and  
 16 other revenues, including federal funds, the expenditures from which are limited by section  
 17 2 of this 2011 Act, are not available for expenditure before the effective date of this 2011 Act.  
 18 However, any action taken by the State Board of Higher Education prior to the effective date  
 19 of this 2011 Act or any contract entered into by the board prior to the effective date of this  
 20 2011 Act necessary for the acquisition, construction, improvement, repair, equipping and  
 21 furnishing of buildings, structures, land and other projects or parts thereof, authorized by  
 22 this 2011 Act, is hereby authorized.

23       **SECTION 4.** (1) The project approvals and expenditure limitations in this 2011 Act, and  
 24 the expenditure limitations established by the Emergency Board during the biennium begin-  
 25 ning July 1, 2011, for capital construction or acquisition projects of the Oregon University  
 26 System expire on June 30, 2017, unless otherwise noted or unless changed by the Legislative  
 27 Assembly.

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

32       (3) The project approvals and expenditure limitations established by section 2 (5)(g), (6)(k)  
 33 and (6)(p), chapter 787, Oregon Laws 2005, for capital construction or acquisition projects of  
 34 the Oregon University System expire on June 30, 2013, unless otherwise changed by the  
 35 Legislative Assembly.

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

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

44       (6) The project approvals and expenditure limitations established by section 3 (3) and (7),  
 45 chapter 787, Oregon Laws 2005, for capital construction or acquisition projects at Klamath

1 Community College and Southwestern Oregon Community College expire on June 30, 2012,  
2 unless otherwise changed by the Legislative Assembly.

3 **SECTION 5.** Pursuant to Article XI-G of the Oregon Constitution and ORS 286A.025 to  
4 286A.095 and 351.345, the State Board of Higher Education may sell, with the approval of the  
5 State Treasurer, general obligation bonds of the State of Oregon of the kind and character  
6 and within the limits prescribed by Article XI-G of the Oregon Constitution, as the board  
7 determines, but in no event may the board sell more than the aggregate principal sum of  
8 \$23,000,000 par value for the biennium beginning July 1, 2011. The moneys realized from the  
9 sale of the bonds shall be appropriated and may be expended for the purposes set forth in  
10 section 2 (6)(h), chapter 787, Oregon Laws 2005, and in section 6 (1)(d), (3), (6)(b) and (7)(a),  
11 chapter 904, Oregon Laws 2009, and for payment for capitalized interest and costs incidental  
12 to issuance of the bonds.

13 **SECTION 6.** Notwithstanding the expenditure limitations established under section 2 of  
14 this 2011 Act, the State Board of Higher Education may increase any limit for expenditures  
15 from other revenues, including federal funds, prescribed by section 2 of this 2011 Act for a  
16 specific project, if the expenditure limitation for bonds issued pursuant to Article XI-F(1) of  
17 the Oregon Constitution for the same project is reduced by the board in the same amount.

18 **SECTION 7.** (1) Notwithstanding the expenditure limitations established under section 2  
19 of this 2011 Act, and subject to subsection (3) of this section, the State Board of Higher Ed-  
20 ucation may expend amounts that exceed the expenditure limitations established under sec-  
21 tion 2 (1) to (8) of this 2011 Act for bonds issued pursuant to Article XI-F(1) of the Oregon  
22 Constitution by the following percentage amounts:

23 (a) For a project with a total expenditure limitation of \$500,000 to \$999,999 under section  
24 2 (1) to (8) of this 2011 Act, up to 12 percent of the expenditure limitation for bonds issued  
25 pursuant to Article XI-F(1) of the Oregon Constitution.

26 (b) For a project with a total expenditure limitation of \$1,000,000 to \$4,999,999 under sec-  
27 tion 2 (1) to (8) of this 2011 Act, up to eight percent of the expenditure limitation for bonds  
28 issued pursuant to Article XI-F(1) of the Oregon Constitution.

29 (c) For a project with a total expenditure limitation of \$5,000,000 to \$9,999,999 under sec-  
30 tion 2 (1) to (8) of this 2011 Act, up to five percent of the expenditure limitation for bonds  
31 issued pursuant to Article XI-F(1) of the Oregon Constitution.

32 (d) For a project with a total expenditure limitation of \$10,000,000 or more under section  
33 2 (1) to (8) of this 2011 Act, up to three percent of the expenditure limitation for bonds issued  
34 pursuant to Article XI-F(1) of the Oregon Constitution.

35 (2) Notwithstanding the expenditure limitations established under section 2 of this 2011  
36 Act, and subject to subsection (3) of this section, the State Board of Higher Education may  
37 expend amounts that exceed the expenditure limitations established under section 2 (1) to (8)  
38 of this 2011 Act for other revenues, including federal funds, by the following percentage  
39 amounts:

40 (a) For a project with a total expenditure limitation of \$500,000 to \$999,999 under section  
41 2 (1) to (8) of this 2011 Act, up to 12 percent of the expenditure limitation for other revenues,  
42 including federal funds.

43 (b) For a project with a total expenditure limitation of \$1,000,000 to \$4,999,999 under sec-  
44 tion 2 (1) to (8) of this 2011 Act, up to eight percent of the expenditure limitation for other  
45 revenues, including federal funds.

