

# Enrolled House Bill 5201

Sponsored by JOINT COMMITTEE ON WAYS AND MEANS

CHAPTER .....

AN ACT

Relating to state financial administration; creating new provisions; amending section 15, chapter 2, Oregon Laws 2009, and section 1, chapter 614, Oregon Laws 2011; and declaring an emergency.

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

**SECTION 1.** Section 1, chapter 614, Oregon Laws 2011, is amended to read:

**Sec. 1.** The amounts authorized, as provided by ORS 286A.035, for issuance of general obligation bonds, revenue bonds, certificates of participation and other financing agreements of this state during the 2011-2013 biennium are as follows:

**GENERAL OBLIGATION BONDS**

General Fund Obligations

Oregon University System (Art. XI-G).....	\$	17,608,000
Department of Community Colleges and Workforce Development (Art. XI-G).....	\$	24,500,000
Department of Environmental Quality (Art. XI-H).....	\$	16,740,000
Oregon Military Department (Art. XI-M) .....	\$	7,614,000
Oregon Department of Administrative Services [(Art. XI-Q) .....	\$	186,685,000]
<b>(Art. XI-Q) .....</b>	<b>\$</b>	<b>200,645,000</b>

Dedicated Fund Obligations

Department of Veterans' Affairs (Art. XI-A).....	\$	100,000,000
Oregon University System [(Art. XI-F(1)) .....	\$	84,844,570]
<b>(Art. XI-F(1)) .....</b>	<b>\$</b>	<b>166,722,070</b>
Water Resources Department (Art. XI-I(1)).....	\$	15,000,000
Housing and Community Services Department (Art. XI-I(2)).....	\$	50,000,000
State Department of Energy (Art. XI-J) .....	\$	150,000,000

<u>Total General Obligation</u>	
[Bonds.....]	\$ 652,991,570]
<b>Bonds .....</b>	<b>\$ 748,829,070</b>

REVENUE BONDS

Direct Revenue Bonds

Housing and Community Services Department .....	\$ 300,000,000
Department of Transportation, Oregon Transportation Infrastructure Fund .....	\$ 18,360,000
Highway User Tax Bonds .....	\$ 663,000,000
Oregon Business Development Department .....	\$ 100,000,000
Oregon Department of Administrative Services [lottery revenue bonds.....]	\$ 222,705,000]
<b>lottery revenue bonds.....</b>	<b>\$ 233,330,000</b>
State Department of Energy .....	\$ 25,000,000

<u>Total Direct Revenue</u>	
[Bonds.....]	\$ 1,329,065,000]
<b>Bonds .....</b>	<b>\$ 1,339,690,000</b>

Pass-Through Revenue Bonds

Oregon Business Development Department industrial development bonds.....	\$ 125,000,000
Oregon Facilities Authority .....	\$ 550,000,000
Housing and Community Services Department .....	\$ 125,000,000

<u>Total Pass-Through Revenue</u>	
Bonds .....	\$ 800,000,000
[Total Revenue Bonds.....]	\$ 2,129,065,000]
<b>Total Revenue Bonds .....</b>	<b>\$ 2,139,690,000</b>

CERTIFICATES OF PARTICIPATION AND OTHER FINANCING AGREEMENTS

Oregon Department of Administrative Services.....	\$ 10,000,000]
<b>Administrative Services.....</b>	<b>\$ 12,500,000</b>

**SECTION 2. (1) Except as provided in subsection (2) of this section, for the biennium beginning July 1, 2011, at the request of the Oregon Department of Administrative Services, in consultation with the Department of Community Colleges and Workforce Development, the State Treasurer is authorized to issue lottery bonds pursuant to ORS 286A.560 to 286A.585 in an amount not to exceed net proceeds of \$9,604,450 for the purpose described in subsection (3) of this section, plus an additional amount, to be estimated by the State Treasurer, for payment of bond-related costs.**

**(2) Not later than February 1, 2013, the State Debt Policy Advisory Commission shall report to the State Treasurer whether the state's lottery-backed debt capacity is sufficient to support the issuance of the bonds described in subsection (1) of this section. The State Treasurer may not issue lottery bonds pursuant to subsection (1) of this section if the State Treasurer, after considering the report of the commission, determines that the state's lottery-backed debt capacity is not sufficient to support the issuance of the bonds described in subsection (1) of this section.**

(3) Net proceeds of lottery bonds issued pursuant to this section must be deposited in the Department of Community Colleges and Workforce Development Capital Construction, Deferred Maintenance and Capital Repair Project Fund established under section 15, chapter 2, Oregon Laws 2009, as amended by section 12, chapter 906, Oregon Laws 2009.

(4) Bond-related costs for the lottery bonds authorized by this section must be paid from the gross proceeds of the lottery bonds and from allocations for the purposes of ORS 286A.576 (1)(c).

(5) The Legislative Assembly finds that issuing lottery bonds to finance community college capital construction projects pursuant to this section is essential to promoting the state's economic development, and the use of lottery bond proceeds is authorized based on the following findings:

(a) New buildings and facilities are needed for community colleges to have adequate facilities for teaching.

(b) Development of community college infrastructure with a focus on workforce preparation and development prioritized by all 17 community colleges in this state will serve to educate and develop a future workforce essential to Oregon's economic growth.

**SECTION 3.** Section 15, chapter 2, Oregon Laws 2009, as amended by section 12, chapter 906, Oregon Laws 2009, is amended to read:

**Sec. 15.** (1) The Department of Community Colleges and Workforce Development Capital Construction, Deferred Maintenance and Capital Repair Project Fund is established separate and distinct from the General Fund. Interest earned by the Department of Community Colleges and Workforce Development Capital Construction, Deferred Maintenance and Capital Repair Project Fund shall be credited to the fund.

(2) Net proceeds of lottery bonds issued pursuant to section 14, chapter 2, Oregon Laws 2009, **and section 2 of this 2012 Act** shall be deposited into the Department of Community Colleges and Workforce Development Capital Construction, Deferred Maintenance and Capital Repair Project Fund. Moneys in the fund are continuously appropriated to the Department of Community Colleges and Workforce Development for the purpose of making grants to community college districts for capital construction, deferred maintenance, capital renewal, code compliance and safety projects.

**SECTION 4.** **This 2012 Act being necessary for the immediate preservation of the public peace, health and safety, an emergency is declared to exist, and this 2012 Act takes effect on its passage.**

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**Passed by House March 5, 2012**

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Ramona Kenady Line, Chief Clerk of House

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Bruce Hanna, Speaker of House

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Arnie Roblan, Speaker of House

**Passed by Senate March 5, 2012**

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Peter Courtney, President of Senate

**Received by Governor:**

.....M,....., 2012

**Approved:**

.....M,....., 2012

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John Kitzhaber, Governor

**Filed in Office of Secretary of State:**

.....M,....., 2012

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Kate Brown, Secretary of State