

**HOUSE MINORITY REPORT
AMENDMENTS TO
A-ENGROSSED SENATE BILL 1544**

February 21

Mr. Speaker:

A minority of your Committee on Transportation and Economic Development, to whom was referred A-engrossed Senate Bill 1544, having had the same under consideration, respectfully reports it back with the recommendation that it do pass with the following amendments:

1 On page 1 of the printed A-engrossed bill, line 2, after the semicolon insert “creating new pro-
2 visions; amending section 20, chapter 624, Oregon Laws 2011;”.

3 On page 2, line 33, delete the colon.

4 In line 34, delete “(A)” and delete the semicolon and insert “and;”.

5 In line 35, delete “(B)” and insert “(A)”.

6 In line 37, delete “(C)” and insert “(B)”.

7 On page 3, delete lines 34 through 36 and insert:

8 **“SECTION 3. Sections 5 and 6 of this 2012 Act and the amendments to section 20, chapter**
9 **624, Oregon Laws 2011, by section 4 of this 2012 Act shall be known and may be cited as the**
10 **Transportation and Economic Development Act of 2012.**

11 **“SECTION 4.** Section 20, chapter 624, Oregon Laws 2011, is amended to read:

12 **“Sec. 20.** (1) For the biennium beginning July 1, 2011, at the request of the Oregon Department
13 of Administrative Services, in consultation with the Department of Transportation, the State Treas-
14 urer is authorized to issue lottery bonds pursuant to ORS 286A.560 to 286A.585 in an amount not
15 to exceed net proceeds of [~~\$40~~] **\$50** million for the purpose described in subsection (2) of this section,
16 plus an additional amount, to be estimated by the State Treasurer, for payment of bond-related costs.

17 “(2) Net proceeds of lottery bonds issued pursuant to this section must be deposited in the
18 Multimodal Transportation Fund established under ORS 367.080 sufficient to provide [~~\$40~~] **\$50**
19 million in net proceeds and interest earnings for the Department of Transportation to finance grants
20 and loans for transportation projects as provided in ORS 367.080 to 367.086.

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

23 “(4) The Legislative Assembly finds that issuing lottery bonds to finance transportation projects
24 pursuant to this section is essential to promoting the state’s economic development and the use of
25 lottery bond proceeds is authorized based on the following findings:

26 “(a) There is an urgent need to improve and expand publicly owned and privately owned trans-
27 portation infrastructure to support economic development in this state.

28 “(b) A safe, efficient and reliable transportation network supports the long-term economic de-
29 velopment and livability of this state.

30 “(c) A multimodal network of air, rail, public transit, highway and marine transportation moves
31 people and goods efficiently.

32 “(d) Local governments and private sector businesses often lack capital and the technical ca-

1 capacity to undertake multimodal transportation projects.

2 “(e) Public financial assistance can stimulate industrial growth and commercial enterprise and
3 promote employment opportunities in this state.

4 “(f) Public investment in transportation infrastructure will create jobs and further economic
5 development in this state.

6 “(g) The use of lottery bond proceeds as provided in this section will create jobs, further eco-
7 nomic development, finance public education or protect parks, watersheds, fish or wildlife within
8 Oregon, and issuance of lottery bonds for the purpose described in this section is therefore an ap-
9 propriate use of state lottery funds under section 4, Article XV of the Oregon Constitution, and ORS
10 461.510.

11 “(5)(a) **Following the sale of bonds described in subsection (2) of this section, the De-**
12 **partment of Transportation shall collect information about transportation projects from**
13 **Class I railroads, as described in 49 C.F.R. 1201, that are recipients of funding under sub-**
14 **section (2) of this section. The information collected must include, but is not limited to, the**
15 **anticipated economic benefits of the project, the anticipated number of jobs to be created or**
16 **retained as a result of the project and any other anticipated public benefits from the project.**
17 **The department shall report on the information collected under this paragraph to the Leg-**
18 **islative Assembly in the manner provided for in ORS 192.245.**

19 “(b) **When a transportation project funded as provided in subsection (2) of this section**
20 **is substantially completed and the recipient of the funding is a Class I railroad, the depart-**
21 **ment shall collect information about the project that includes, but is not limited to, the**
22 **economic benefits of the project, the number of jobs created or retained as a result of the**
23 **project and any other public benefits resulting from the project. The department shall report**
24 **on the information collected under this paragraph to the Legislative Assembly in the manner**
25 **provided for in ORS 192.245.**

26 “**SECTION 5. (1) For the biennium beginning July 1, 2011, at the request of the Oregon**
27 **Department of Administrative Services, in consultation with the Oregon Business Develop-**
28 **ment Department, the State Treasurer is authorized to issue lottery bonds pursuant to ORS**
29 **286A.560 to 286A.585 in an amount not to exceed net proceeds of \$10 million for the purpose**
30 **described in subsection (2) of this section, plus an additional amount, to be estimated by the**
31 **State Treasurer, for payment of bond-related costs.**

32 “(2) **Net proceeds of lottery bonds issued pursuant to this section must be deposited in**
33 **the Special Public Works Fund established under ORS 285B.455 sufficient to provide \$10**
34 **million in net proceeds and interest earnings for the Oregon Business Development Depart-**
35 **ment to finance low-interest loans to municipalities, ports and other persons or entities for**
36 **water and sewer infrastructure projects.**

37 “(3) **Bond-related costs for the lottery bonds authorized by this section must be paid from**
38 **the gross proceeds of the lottery bonds and from allocations for the purposes of ORS**
39 **286A.576 (1)(c).**

40 “(4) **The Legislative Assembly finds that issuing lottery bonds to finance water and sewer**
41 **infrastructure projects pursuant to this section is essential to promoting the state’s eco-**
42 **nomic development and the use of lottery bond proceeds is authorized based on the following**
43 **findings:**

44 “(a) **Financial assistance to municipalities, ports and other persons and entities for**
45 **projects to improve water or sewer infrastructure is essential to the health of the people of**

1 this state.

2 “(b) Public investments in water or sewer infrastructure projects will create jobs and
3 further economic growth while ensuring the continued health of water and sewer systems.

4 “SECTION 6. (1) For the biennium beginning July 1, 2011, at the request of the Oregon
5 Department of Administrative Services, in consultation with the Department of Community
6 Colleges and Workforce Development, the State Treasurer is authorized to issue lottery
7 bonds pursuant to ORS 286A.560 to 286A.585 in an amount not to exceed net proceeds of \$10
8 million for the purpose described in subsection (2) of this section, plus an additional amount,
9 to be estimated by the State Treasurer, for payment of bond-related costs.

10 “(2) Net proceeds of lottery bonds issued pursuant to this section must be deposited in
11 the Community College Capital Construction Fund established under ORS 341.725 sufficient
12 to provide \$9,604,450 in net proceeds and interest earnings for the Department of Community
13 Colleges and Workforce Development to finance the following projects with a targeted
14 workforce preparation and development focus that have been prioritized by all 17 community
15 colleges in this state in the following amounts:

16 “

	Funding Amount Requested
(a) Blue Mountain Community College Veterinary Assistant Certificate Program	\$ 465,037
(b) Central Oregon Community College Math and Science Laboratories, Redmond Campus.....	\$ 500,000
(c) Chemeketa Community College CTE/STEM Facilities Improvement Project	\$ 1,000,000
(d) Clackamas Community College Industrial Technology and Science Workforce Advancement	\$ 800,000
(e) Clatsop Community College Welding and Fabrication Program	\$ 281,785
(f) Columbia Gorge Community College CGCC Rural Clinical Simulation Center Essential Capital Equipment Replacement	\$ 297,193
(g) Klamath Community College Culinary Arts, AAS; Foodservice Systems; Administration and Management.....	\$ 300,000
(h) Lane Community College Science, Technology, Engineering	

1	and Math Classrooms and Labs ...	\$ 1,000,000
2	(i) Linn-Benton Community College	
3	Advanced Transportation	
4	Technology Center	\$ 800,000
5	(j) Mt. Hood Community College	
6	Lab and Classroom Additions	
7	and Upgrades	\$ 800,000
8	(k) Oregon Coast Community College	
9	Renovations to Allied Health	
10	Training Center and Science	
11	Laboratory	\$ 273,235
12	(L) Portland Community College	
13	Trades Training Center.....	\$ 1,000,000
14	(m) Rogue Community College	
15	Manufacturing and	
16	Fabrication Flex Lab.....	\$ 500,000
17	(n) Southwestern Oregon Community College	
18	Renovate Labs and Classrooms	
19	for STEM and CTE Support.....	\$ 387,200
20	(o) Tillamook Bay Community College	
21	Ag and Natural Resources	
22	Learning Lab.....	\$ 300,000
23	(p) Treasure Valley Community College	
24	Science and Technology	
25	Classrooms and Labs and	
26	Agriculture Livestock Center	
27	Classroom and Lab	\$ 500,000
28	(q) Umpqua Community College	
29	Douglas County CTE/STEM	
30	Centers.....	\$ 400,000

31 “

32
33 “(3) Bond-related costs for the lottery bonds authorized by this section must be paid from
34 the gross proceeds of the lottery bonds and from allocations for the purposes of ORS
35 286A.576 (1)(c).

36 “(4) The Legislative Assembly finds that issuing lottery bonds to finance community
37 college capital construction projects pursuant to this section is essential to promoting the
38 state’s economic development and the use of lottery bond proceeds is authorized based on
39 the following findings:

40 “(a) New buildings and facilities are needed for community colleges to have adequate fa-
41 cilities for teaching.

42 “(b) Development of community college infrastructure with a focus on workforce prepa-
43 ration and development prioritized by all 17 community colleges in this state will serve to
44 educate and develop a future workforce essential to Oregon’s economic growth.

45 “(5) Following the sale of bonds for projects described in subsection (2) of this section,

1 the Department of Community Colleges and Workforce Development shall submit a progress
2 report to the Legislative Assembly. The progress report shall include all of the following in-
3 formation for each project described in subsection (2) of this section:

4 “(a) The planned start date of the project.

5 “(b) The actual start date of the project.

6 “(c) The current status of the project.

7 “(d) The project completion date or scheduled completion date.

8 “(e) Expenditures made for the project to date.

9 “(f) The number of construction hours worked.

10 “(g) The proportion of funds used for equipment purchase and new construction.

11 “(h) The percentage of jobs performed or contracts fulfilled by Oregon residents.

12 “(i) A description of increased program capacity resulting from the project.

13 “(j) A description of the local workforce need addressed by the project.

14 “SECTION 7. This 2012 Act being necessary for the immediate preservation of the public
15 peace, health and safety, an emergency is declared to exist, and this 2012 Act takes effect
16 on its passage.”.

17 /s/ Dave Hunt
18 Representative

19 /s/ Jefferson Smith
20 Representative

21 _____
22