

Senate Bill 265
Relating to higher education revenue bonds

Senate Bill 265 authorizes the issuance of revenue bonds for the Oregon University System and public universities, without prior approval from the Legislative Assembly. These bonds would be in addition to any higher education revenue bond capacity authorized in the biennial bond bill passed by the Legislature. These revenue bonds will not carry the full faith and credit of the State of Oregon, and are backed only by the revenues of the state's seven public universities.

The Capital Construction Subcommittee recommends Senate Bill 265 be reported out do pass.

Joint Committee on Ways and Means

Carrier – House: Rep. Smith

Carrier – Senate: Sen. Girod

Revenue:

Fiscal: Minimal fiscal impact, no statement issued

Action: Do Pass

Vote:

House

Yeas:

Nays:

Exc:

Senate

Yeas:

Nays:

Exc:

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Meeting Date: July 3, 2013

WHAT THE MEASURE DOES: Authorizes issuance of higher education revenue bonds in addition to bonds authorized pursuant to biennial budget process for bond authorization.

ISSUES DISCUSSED:

- Debt from financing agreements still subject to State Board of Higher Education policy on debt ratio.

EFFECT OF COMMITTEE AMENDMENT: No amendment.

BACKGROUND: The State Board of Higher Education (SBHE) and the Oregon University System (OUS) are currently required to obtain legislative approval prior to the issuance of any revenue bond by having bond authority to issue revenue bonds included in the biennial bond authorization bill. These revenue bonds will not carry the full faith and credit of the State of Oregon, and are backed only by the revenue for OUS or any of the public universities listed in ORS 352.002.