

Joint Committee on Ways and Means

Carrier – House: Rep. Smith
Carrier – Senate: Sen. Girod

Revenue: Revenue statement issued

Fiscal: Fiscal statement issued

Action: Do Pass the A-Engrossed Measure as Amended and as Printed B-Engrossed

Vote: 25 – 0 – 1

House

Yeas: Barker, Buckley, Frederick, Freeman, Hanna, Huffman, Jenson, Komp, McLane, Nathanson, Richardson, Smith, Tomei, Williamson

Nays:

Exc: Read

Senate

Yeas: Bates, Devlin, Edwards, Girod, Hansell, Johnson, Monroe, Steiner Hayward, Thomsen, Whitsett, Winters

Nays:

Exc:

Prepared By: Paul Siebert, Legislative Fiscal Office

Meeting Date: July 3, 2013

WHAT THE MEASURE DOES: Creates individualized process for Oregon University System (OUS) to enter into financing agreements by removing the prior approval from the Department of Administrative Services requirement. Declares emergency, effective July 1, 2013.

ISSUES DISCUSSED:

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

EFFECT OF COMMITTEE AMENDMENT: Clarifies that state agencies are required to have DAS approval for financing agreements.

BACKGROUND: OUS currently requires Department of Administrative Services (DAS) approval when entering into financial agreements over \$100,000. These include lease purchase agreements, installment sale agreements, loan agreements, or any kind of agreement that will finance real or personal property that is owned or operated by OUS. DAS approval is required for any purchases of land, buildings, and equipment that involve financial agreements. Senate Bill 266 authorizes the Chancellor of the Oregon University System to enter into financial agreements without DAS approval. OUS must abide by State Board of Higher Education policy and not enter into financial agreements if they would cause a campus to exceed the maximum debt service allowed.