

## HOUSE AMENDMENTS TO HOUSE BILL 2301

By COMMITTEE ON TRANSPORTATION AND ECONOMIC DEVELOPMENT

April 12

1 On page 1 of the printed bill, delete lines 5 through 29.

2 On page 2, delete lines 1 through 20 and insert:

3 **“SECTION 1. The Legislative Assembly finds and declares that:**

4 **“(1) Infrastructure in the State of Oregon is in need of modernization, expansion and**  
5 **repair.**

6 **“(2) Adequate public infrastructure is essential to restoring and maintaining a vibrant**  
7 **21st century economy in the State of Oregon.**

8 **“(3) Oregon’s economy is recovering from a recession and, as outstanding indebtedness**  
9 **is paid, Oregon will have a growing capacity to invest in capital assets to improve govern-**  
10 **ment efficiency, service public needs and support ongoing growth in the economy.**

11 **“(4) Over the next 10 years, the State of Oregon will have the financial capacity to fi-**  
12 **nance nearly \$5 billion of capital investments in infrastructure supported by General Fund**  
13 **moneys and the net proceeds of the Oregon State Lottery while protecting Oregon’s bond**  
14 **rating.**

15 **“(5) To achieve the objectives of making strategic investments in our future through a**  
16 **process that leads to optimal investments with the greatest return for its residents, the**  
17 **State of Oregon must:**

18 **“(a) Develop a greater capacity to identify the benefits of capital projects that support**  
19 **our future;**

20 **“(b) Develop new methods for selecting and financing projects that optimize capital in-**  
21 **vestment opportunities, control future costs and reduce the risk of excessive borrowing; and**

22 **“(c) Increase our capacity to institute best practices for capital project identification and**  
23 **screening, analysis of returns, procurement and optimization of design, use and financing.**

24 **“SECTION 2. (1) The Oregon Department of Administrative Services shall create and**  
25 **maintain a capital planning process for financing capital projects to be paid from General**  
26 **Fund moneys and from the net proceeds of the Oregon State Lottery. The Capital**  
27 **Infrastructure and Investment Plan must prioritize the utilization of debt capacity over a**  
28 **10-year period for executive branch planning and for the purposes of assisting:**

29 **“(a) The Governor in recommending, after consultation with the State Treasurer, the**  
30 **prudent maximum amount of bonds to be issued for each bond program under ORS 286A.035;**  
31 **and**

32 **“(b) The Legislative Assembly in determining the total amount of bonds the State**  
33 **Treasurer may issue for each related agency under ORS 286A.035.**

34 **“(2) The 10-year plan required by this section must:**

35 **“(a) Direct the development of a capital planning process that identifies Oregon’s highest**

1 value capital investments and provides a sustained and consistent process for financing  
2 projects that align with the achievement of statewide strategic outcomes identified in the  
3 plan.

4 “(b) Be based upon projected sustainable financial resources and within prudent financial  
5 requirements and conventions to protect the state’s credit rating based on the advice of the  
6 State Debt Policy Advisory Commission pursuant to ORS 286A.255.

7 “(c) Establish a smoothing methodology that ensures sustained available debt capacity  
8 on an ongoing basis over the 10-year planning period that:

9 “(A) Accounts for cyclical fluctuations related to volatile income tax collections; and

10 “(B) Establishes prudent strategic reserve recommendations that reserve debt capacity  
11 to support emergent economic opportunities and other immediate opportunities that leverage  
12 capital investment.

13 “(d) Be developed in conjunction with capital planning processes for:

14 “(A) Projects financed with moneys in the State Highway Fund and other transportation  
15 planning processes; and

16 “(B) Any other state infrastructure planning.

17 “(3) Subject to periodic review and adjustment by the department pursuant to strategies  
18 adopted in the 10-year plan, the allocation of planned debt capacity must be distributed  
19 among:

20 “(a) Education infrastructure;

21 “(b) State infrastructure;

22 “(c) Regional and community economic development and infrastructure; and

23 “(d) Reserves for innovative or emergent economic opportunities.

24 “(4) Among the criteria for prioritization of debt capacity for infrastructure to be  
25 planned and financed:

26 “(a) Education infrastructure must advance identified goals to improve access to educa-  
27 tion, increase capacity to provide education and make other improvements in this state’s  
28 ability to deliver education to Oregonians.

29 “(b) State infrastructure must assist the State of Oregon to deliver government services  
30 to Oregonians in an efficient and cost-effective manner.

31 “(c) Regional and community economic development and infrastructure must support and  
32 advance statewide economic development policy and stimulate the growth of regional and  
33 local economies throughout Oregon.

34 “(5) The department:

35 “(a) May assign a coordinator for the capital planning process and may assign specific  
36 state agencies to take the lead in planning for specific categories established in subsection  
37 (3) of this section; and

38 “(b) Shall facilitate regional and local development projects by providing technical as-  
39 sistance to public bodies, as defined in ORS 174.109, and coordination for capital projects fi-  
40 nanced, in whole or in part, with public moneys.

41 “(6) The department is not required to take action under this section in biennia in which  
42 moneys are not appropriated for the purpose in the legislatively approved budget for the de-  
43 partment.”.

44 In line 21, delete “2” and insert “3”.

45 On page 3, delete lines 37 and 38.

