

# House Bill 3190

Sponsored by Representative WHISNANT

## SUMMARY

The following summary is not prepared by the sponsors of the measure and is not a part of the body thereof subject to consideration by the Legislative Assembly. It is an editor's brief statement of the essential features of the measure **as introduced**.

Prohibits participating public employer from issuing revenue bonds to finance pension liability without express authorization from Legislative Assembly and majority of electors within jurisdiction of participating public employer.

Declares emergency, effective on passage.

## A BILL FOR AN ACT

1  
2 Relating to revenue bonds to finance pension liability; creating new provisions; amending ORS  
3 238.694; and declaring an emergency.

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

5 **SECTION 1.** ORS 238.694 is amended to read:

6 238.694. (1) The Legislative Assembly finds that authorizing issuance of revenue bonds to finance  
7 pension liabilities may reduce the cost of public pensions to taxpayers and that the reduction of  
8 those costs to taxpayers is a matter of statewide concern.

9 (2) Notwithstanding the limitation on indebtedness in ORS 287A.105 or any other limitation on  
10 indebtedness or borrowing under state or local law, for the purpose of obtaining funds to pay the  
11 pension liability of a public body, the governing body of a public body may authorize and cause the  
12 issuance of revenue bonds under ORS chapter 287A[.] **if:**

13 (a) **The Legislative Assembly has expressly authorized the governing body of the public**  
14 **body to issue revenue bonds for the purpose of obtaining funds to pay the pension liability;**  
15 **and**

16 (b) **The electors within the jurisdiction of the public body have approved the issuance of**  
17 **the revenue bonds by a majority vote.**

18 (3) The governing body of a public body may pledge the full faith and credit and taxing power  
19 of the public body to the payment of the principal and interest on bonds issued under ORS 238.692  
20 to 238.698, and any premium on those bonds.

21 (4) Unless the charter of a county provides a lower limit, a county may issue revenue bonds to  
22 finance pension liabilities in an amount that does not exceed five percent of the real market value  
23 of the taxable property within the boundaries of the county.

24 (5) Revenue bonds authorized under this section need not comply with the procedure specified  
25 in ORS 287A.150.

26 (6) A public body that issues revenue bonds under this section may also issue revenue bonds for  
27 the purpose of refunding the bonds.

28 (7) A public body may enter into indentures or other agreements with trustees or escrow agents  
29 for the issuance, administration or payment of bonds authorized under this section.

30 **SECTION 2. The amendments to ORS 238.694 by section 1 of this 2013 Act apply only to**

**NOTE:** Matter in **boldfaced** type in an amended section is new; matter [*italic and bracketed*] is existing law to be omitted. New sections are in **boldfaced** type.

1 revenue bonds issued on and after the effective date of this 2013 Act.

2 SECTION 3. This 2013 Act being necessary for the immediate preservation of the public  
3 peace, health and safety, an emergency is declared to exist, and this 2013 Act takes effect  
4 on its passage.

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