

**PROPOSED AMENDMENTS TO
HOUSE BILL 4111**

1 On page 1 of the printed bill, line 2, after the first semicolon delete the
2 rest of the line and delete line 3 and insert “and declaring an emergency.”.

3 Delete lines 5 through 16 and delete pages 2 through 17 and insert:

4 **“SECTION 1. The Legislative Assembly finds that:**

5 **“(1) Public infrastructure is essential to a vibrant economy and to**
6 **healthy communities in Oregon.**

7 **“(2) There is widespread agreement that Oregon’s need for adequate**
8 **and well performing public infrastructure is growing but that tradi-**
9 **tional sources of funding for public infrastructure may not meet that**
10 **need.**

11 **“(3) Oregon needs to test and evaluate a variety of methods of fi-**
12 **ancing and procuring public infrastructure projects to ensure the**
13 **highest level of transparency, accountability and consistency in those**
14 **projects.**

15 **“(4) It is necessary to identify barriers to the use of private capital**
16 **in financing public infrastructure projects in Oregon.**

17 **“(5) Public-private partnerships, in numerous forms, might be used**
18 **to supplement traditional methods of financing and procuring public**
19 **infrastructure projects.**

20 **“(6) There is a broad lack of understanding and knowledge of the**
21 **complex business arrangements typical of many forms of public-**
22 **private partnerships.**

1 **“(7) The Public Infrastructure Commission is established for the**
2 **purposes of increasing capacity for public infrastructure projects in**
3 **Oregon and taking advantage of opportunities for regional public**
4 **infrastructure development.**

5 **“SECTION 2. (1) The Public Infrastructure Commission is estab-**
6 **lished, consisting of 12 members appointed as follows:**

7 **“(a) The Governor shall appoint six members as follows:**

8 **“(A) One member with significant public infrastructure financing**
9 **expertise;**

10 **“(B) One member with significant expertise in the investment of**
11 **private capital in public infrastructure;**

12 **“(C) One member who is a nationally recognized expert in public-**
13 **private partnerships;**

14 **“(D) One member who represents a city, county, port or special**
15 **district;**

16 **“(E) One member who is an employee of a state contracting agency;**
17 **and**

18 **“(F) One member from a firm licensed as a general contractor in**
19 **Oregon who has significant executive-level experience in the con-**
20 **struction industry working on public projects.**

21 **“(b) The President of the Senate and the Speaker of the House of**
22 **Representatives, by mutual agreement, shall appoint six members as**
23 **follows:**

24 **“(A) One member from the Senate and one member from the House**
25 **of Representatives not of the same party;**

26 **“(B) One member representing the professional construction ser-**
27 **vices industry who is registered in Oregon as either an architect or**
28 **engineer;**

29 **“(C) One member representing an Oregon-licensed contractor that**
30 **has performed public contracts for mechanical systems for a public**

1 agency in this state;

2 “(D) One member representing a construction trade labor organ-
3 ization; and

4 “(E) One member representing a maintenance workers’ labor or-
5 ganization.

6 “(2) The Public Infrastructure Commission shall:

7 “(a) Identify Oregon’s public infrastructure funding needs.

8 “(b) Review and examine the tools now available to close the gap
9 in funding for public infrastructure projects in Oregon.

10 “(c) Research and evaluate a variety of innovative financing and
11 procurement methods that could be used to deliver public
12 infrastructure projects in Oregon.

13 “(d) Determine whether there are any legal impediments to inno-
14 vative financing and procurement methods for public infrastructure
15 projects.

16 “(e) In furtherance of the commission’s duties under paragraphs (a)
17 to (d) of this subsection, receive determinations from the State
18 Treasurer pursuant to section 3 (3) of this 2014 Act.

19 “(3) The commission may consult with experts, hear testimony and
20 otherwise collect data and information necessary to carry out the du-
21 ties of the commission.

22 “(4) A majority of the members of the commission constitutes a
23 quorum for the transaction of business.

24 “(5) Official action by the commission requires the approval of a
25 majority of the members of the commission.

26 “(6) If there is a vacancy for any cause, the appointing authority
27 shall make an appointment to become immediately effective.

28 “(7) The commission shall meet at times and places specified by the
29 call of the chair or of a majority of the members of the commission.

30 “(8) Members of the commission who are members of the Legisla-

1 tive Assembly shall receive compensation and expenses as provided in
2 ORS 171.072.

3 “(9) The commission may adopt rules necessary for the operation
4 of the commission.

5 “(10) The commission shall submit a report in the manner provided
6 in ORS 192.245, and may include recommendations for legislation, to
7 an interim committee of the Legislative Assembly related to public
8 infrastructure no later than November 21, 2014.

9 “(11) All agencies of state government, as defined in ORS 174.111,
10 are directed to assist the commission in the performance of its duties
11 and, to the extent permitted by laws relating to confidentiality, to
12 furnish such information and advice as the members of the commis-
13 sion consider necessary to perform their duties.

14 “(12) As used in this section, ‘public infrastructure’ has the mean-
15 ing given that term in section 3 of this 2014 Act.

16 **“SECTION 3. (1) As used in this section:**

17 **“(a) ‘Public infrastructure’ means, but is not limited to, the fol-
18 lowing, or any combination of the following, when undertaken by a
19 unit of government:**

20 **“(A) Facilities to develop sources of, store or deliver clean water;**

21 **“(B) Facilities to capture, treat or dispose of sewage, storm water
22 or wastewater;**

23 **“(C) Facilities for solid waste management, treatment, disposal or
24 conversion;**

25 **“(D) Highways as defined in ORS 366.005;**

26 **“(E) Street lighting or other public safety installations;**

27 **“(F) Passenger or freight rail or streetcar systems or networks;**

28 **“(G) Energy conservation, generation or transmission facilities or
29 improvements;**

30 **“(H) Data transmission facilities or equipment;**

1 **“(I) Schools;**

2 **“(J) Courts or other facilities necessary for the administration of**
3 **justice; or**

4 **“(K) Improvements to property owned, occupied or operated by any**
5 **unit of government.**

6 **“(b) ‘Unit of government’ means:**

7 **“(A) Any unit of the state government as defined in ORS 174.111;**

8 **“(B) Any unit of local government as defined in ORS 174.116; or**

9 **“(C) A special government body as defined in ORS 174.117.**

10 **“(2)(a) A unit of government undertaking a public infrastructure**
11 **project described in paragraph (b) of this subsection must submit a**
12 **description of the proposed project to the State Treasurer at an early**
13 **stage of planning for the project.**

14 **“(b)(A) This section applies to a public infrastructure project with**
15 **estimated total capital expenditures of greater than \$50 million, of**
16 **which at least \$20 million consists of funds to be awarded directly by**
17 **a state agency or the Legislative Assembly, or both, to the unit of**
18 **government specifically for the project.**

19 **“(B) The \$20 million of funds described in subparagraph (A) of this**
20 **paragraph does not include any amounts of state shared revenues or**
21 **funds received from the federal government and distributed to the unit**
22 **of government.**

23 **“(3)(a) The State Treasurer or a designee shall screen the proposed**
24 **project for the following characteristics to determine whether the**
25 **project would benefit from private capital and innovative procurement**
26 **methods:**

27 **“(A) Whether faster procurement and delivery would provide a**
28 **material benefit;**

29 **“(B) Whether there are legal impediments for any method;**

30 **“(C) The total estimated construction budget;**

1 **“(D) Life-cycle maintenance costs as a percentage of total construction costs;**

2 **“(E) Risks that make transfer of risk to the private sector desirable;**

3 **“(F) Whether the risks, including the monetary value of the transfer of the risks, can be adequately analyzed and efficiently priced;**

4 **“(G) The replacement and maintenance of equipment, structure and systems contemplated over the term of the project agreements;**

5 **“(H) Whether the project specifications for output and performance are developed enough to create enforceable contracts;**

6 **“(I) Whether the unit of government will remain in ownership and control of the infrastructure; and**

7 **“(J) Whether an alternative method of contracting would increase the value of the project for the public.**

8 **“(b) The information necessary for the determination under paragraph (a) of this subsection may be obtained from industry standards and data for the applicable asset class of the proposed project, project historical data and the project owner’s studies and reports about the proposed project that are available at the time the screening is made under this section. The State Treasurer may not require a project owner to create new technical data for the purposes of this section.**

9 **“(c) The State Treasurer shall:**

10 **“(A) Complete the screening within 30 days after receiving from the unit of government the description of the project, including sufficient information for the determination under paragraph (a) of this subsection.**

11 **“(B) Submit a copy of the determination to the Public Infrastructure Commission established under section 2 of this 2014 Act.**

12 **“(4) This section does not apply to a public infrastructure project:**

13 **“(a) Undertaken by a unit of government in response to a public health or safety emergency;**

1 **“(b) That has been screened for the characteristics described in**
2 **subsection (3)(a) of this section by the Oregon Department of Admin-**
3 **istrative Services or Partnerships British Columbia before the effective**
4 **date of this 2014 Act; or**

5 **“(c) If the unit of government applied for any of the \$20 million of**
6 **funds described in subsection (2)(b) of this section before the effective**
7 **date of this 2014 Act.**

8 **“SECTION 4. (1) Section 3 of this 2014 Act becomes operative only**
9 **if the Legislative Assembly appropriates sufficient moneys to the State**
10 **Treasurer, other than moneys described in ORS 293.718, to administer**
11 **section 3 of this 2014 Act.**

12 **“(2) Any costs incurred by the State Treasurer in administering**
13 **section 3 of this 2014 Act may not be paid from investment funds as**
14 **defined in ORS 293.701.**

15 **“SECTION 5. Sections 1, 2 and 3 of this 2014 Act are repealed on**
16 **January 2, 2016.**

17 **“SECTION 6. The Legislative Assembly finds that:**

18 **“(1) The West Coast Infrastructure Exchange is a resource that will**
19 **increase the feasibility for vital infrastructure projects at a time when**
20 **existing public facilities need renewal and new investments are im-**
21 **perative to maintain and improve economic competitiveness to support**
22 **jobs and families.**

23 **“(2) Limitations in available financing and the high cost of**
24 **infrastructure mean new tools are necessary. The West Coast**
25 **Infrastructure Exchange will help by reducing costs through strong**
26 **management, partnering with innovators in other regions and helping**
27 **units of government to connect with private capital. Target**
28 **infrastructure investment opportunities include, but are not limited**
29 **to, energy transmission and efficiency, water storage capacity, mu-**
30 **nicipal water systems and wastewater management.**

1 **“(3) The West Coast Infrastructure Exchange also will offer a forum**
2 **to strengthen ties and help align interests among government, com-**
3 **munity, investment and nonprofit stakeholders in the western states.**

4 **“SECTION 7. Section 6 of this 2014 Act is repealed on January 2,**
5 **2019.**

6 **“SECTION 8. The Governor and State Treasurer shall each name**
7 **an equal number of appointees to represent Oregon in the West Coast**
8 **Infrastructure Exchange.**

9 **“SECTION 9. This 2014 Act being necessary for the immediate**
10 **preservation of the public peace, health and safety, an emergency is**
11 **declared to exist, and this 2014 Act takes effect on its passage.”.**

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