

PRELIMINARY STAFF MEASURE SUMMARY

CARRIER:

Senate Committee on Education

REVENUE: May have revenue impact, statement not yet issued

FISCAL: May have fiscal impact, statement not yet issued

Action:

Vote:

Yeas:

Nays:

Exc.:

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Meeting Dates: 2/19

WHAT THE MEASURE DOES: Requires school districts to submit proposed funds diversion agreements to State Treasurer for review and approval and prevents districts from entering into funds diversion agreements unless agreement is approved by State Treasurer. Declares emergency, effective on passage.

ISSUES DISCUSSED:

EFFECT OF COMMITTEE AMENDMENT:

-1 amendments (proposed) requires school districts to submit proposed fund diversion agreements, amendments, or supplements to agreements that are related to bonds issued by or on behalf of the district to State Treasurer for review and approval prior to entering into an agreement.

BACKGROUND: Senate Bill 303 requires the approval of the State Treasurer before common or union high school districts, education service districts, or community college districts enter into funds diversion agreements for the purpose of paying the principal and interest on bonds, and any premium on those bonds.

Currently, the State Treasurer has the authority of review and approval for the Oregon School Bond Guaranty program (ORS 328.321 to 328.356). Senate Bill 303 extends the State Treasurer’s review to funds diversion agreements as detailed in ORS 238.698.