

B-Engrossed
House Bill 3039

Ordered by the Senate June 1
Including House Amendments dated April 6 and Senate Amendments
dated June 1

Sponsored by Representative FREDERICK, Senator SHIELDS

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.

Allows district school board to enter into transactions that are expected to reduce cost to district for school facilities.

Declares emergency, effective on passage.

A BILL FOR AN ACT

1
2 Relating to district school board powers for real property; amending ORS 332.155; and declaring an
3 emergency.

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

5 **SECTION 1.** ORS 332.155 is amended to read:

6 332.155. A district school board:

7 (1) May furnish, equip, repair, lease, purchase and build schoolhouses, including high schools,
8 junior high schools, career and technical education schools, gymnasiums, houses for teachers and
9 other employees[,] and like buildings[;], and locate, buy and lease lands for all school purposes.
10 Leases authorized by this [section] **subsection** include lease-purchase agreements [*whereunder*] **un-**
11 **der which** the district may acquire ownership of the leased property at a nominal price. [*Such*]
12 Leases and lease-purchase agreements may be for a term of up to 30 years.

13 (2) May contract for the removal or containment of asbestos substances in school buildings and
14 for repairs made necessary by [*such*] **the** removal or containment. Contracts authorized by this
15 section may be for a term exceeding one year.

16 (3) May construct or cooperate in the construction of schools for training of student teachers
17 on state or district owned lands, for any public university listed in ORS 352.002 that is in or con-
18 tiguous to the district, and to expend district funds [*in so doing*] **for those activities.**

19 (4) May acquire personal property by a lease-purchase agreement or contract of purchase for a
20 term exceeding one year. A lease-purchase agreement is one in which the rent payable by the dis-
21 trict is expressly agreed to have been established to reflect the savings resulting from the exemption
22 from taxation, and the district is entitled to ownership of the property at a nominal or other price
23 that is stated or determinable by the terms of the agreement and was not intended to reflect the true
24 value of the property.

25 (5) May lease, sell and convey all property of the district as may not, in the judgment of the
26 district school board, be required for school purposes.

27 (6) May sell property of the district in transactions whereby the district has the right to lease,

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 occupy or reacquire the property following the sale or have facilities constructed [*thereon*] **on the**
2 **property** or furnished to the specifications of the district. The construction or furnishing of [*such*]
3 **the** facilities shall be subject to:

4 (a) ORS chapter 279A, except ORS 279A.125 and 279A.250 to 279A.290;

5 (b) ORS chapter 279B, except ORS 279B.235, 279B.240, 279B.270, 279B.275 and 279B.280; and

6 (c) ORS chapter 279C.005, 279C.100 to 279C.125 and 279C.300 to 279C.470.

7 (7) Shall furnish the schools with supplies, equipment, apparatus and services essential to
8 meeting the requirements of a standard school and may furnish [*such*] other supplies, equipment,
9 apparatus and services as the board considers advisable.

10 (8) May construct, purchase or lease in cooperation with other school districts or community
11 college districts facilities for secondary career and technical education programs for pupils of more
12 than one district and may furnish or cooperate in furnishing supplies and equipment for [*such*] **the**
13 facilities, to be financed in the same manner as other school buildings and supplies are financed.

14 (9) May purchase real property upon a contractual basis when the period of time allowed for
15 payment under the contract does not exceed 30 years.

16 (10) May purchase relocatable classrooms and other relocatable structures in installment
17 transactions in which deferred installments of the purchase price are payable over not more than
18 10 years from the date [*such*] **the** property is delivered to the district for occupancy and are secured
19 by a security interest in such property. [*Such*] Transactions **under this subsection** may take the
20 form of, but are not limited to, lease-purchase agreements.

21 (11) May enter into rental or lease-purchase agreements covering motor vehicles operated by the
22 district.

23 **(12) May enter into transactions that are expected to reduce the cost to the district for**
24 **school facilities, including:**

25 **(a) Entering into an agreement or taking any other action to allow the district to use**
26 **state or federal tax credits or state or federal funding sources;**

27 **(b) Entering into a lease or sublease, partnership agreement or other contract for prop-**
28 **erty that is financed with general obligation bond proceeds or other district funds; or**

29 **(c) Loaning or otherwise contributing general obligation bond proceeds or other district**
30 **funds to transactions authorized by this subsection.**

31 **SECTION 2. This 2015 Act being necessary for the immediate preservation of the public**
32 **peace, health and safety, an emergency is declared to exist, and this 2015 Act takes effect**
33 **on its passage.**

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