

**PROPOSED AMENDMENTS TO
HOUSE BILL 5005**

1 On page 1 of the printed bill, delete lines 5 through 28 and delete pages
2 2 through 7 and insert:

3 **“SECTION 1. The amounts authorized, as provided by ORS 286A.035,**
4 **for issuance of general obligation bonds of the state during the**
5 **2015-2017 biennium are as follows:**

6

7 **GENERAL OBLIGATION BONDS**

8 **General Fund Obligations**

9 (1) **Oregon Department of**

10 **Administrative Services,**

11 **Oregon Health and Science**

12 **University, Cancer**

13 **Institute (Art. XI-G)..... \$ 200,035,000**

14 (2) **Higher Education Coordinating**

15 **Commission (Art. XI-G):**

16 (a) **Oregon State University:**

17 (A) **Forest Science Complex..... \$ 30,140,000**

18 (B) **Marine Studies Campus**

19 **Phase I..... \$ 25,155,000**

20 (b) **Portland State University,**

21 **Neuberger Hall Renovation**

22 **and Deferred Maintenance.... \$ 10,220,000**

| | | | |
|----|----------------------------------|----|------------|
| 1 | (c) University of Oregon: | | |
| 2 | (A) Klamath Hall Renovation..... | \$ | 6,325,000 |
| 3 | (B) College and Careers Building | \$ | 17,275,000 |
| 4 | (C) Chapman Hall Renovation..... | \$ | 2,550,000 |
| 5 | (d) Oregon Institute of | | |
| 6 | Technology, Center for | | |
| 7 | Excellence in Engineering | | |
| 8 | and Technology | \$ | 785,000 |
| 9 | (e) Blue Mountain Community | | |
| 10 | College, Animal Science | | |
| 11 | Education Center | \$ | 3,331,350 |
| 12 | (f) Columbia Gorge Community | | |
| 13 | College, Advanced Technology | | |
| 14 | Center | \$ | 7,320,000 |
| 15 | (g) Klamath Community College, | | |
| 16 | Student Success and | | |
| 17 | Career/Technical Center | \$ | 7,850,000 |
| 18 | (h) Mt. Hood Community | | |
| 19 | College, Technology | | |
| 20 | Innovation Center | \$ | 8,000,000 |
| 21 | (i) Rogue Community College, | | |
| 22 | Health and Science Center.... | \$ | 8,000,000 |
| 23 | (j) Southwestern Oregon | | |
| 24 | Community College, Health | | |
| 25 | and Science Building..... | \$ | 8,000,000 |
| 26 | (k) Treasure Valley Community | | |
| 27 | College, Workforce Vocational | | |
| 28 | Center | \$ | 2,830,250 |
| 29 | (L) Umpqua Community College, | | |
| 30 | Industrial Arts Center | \$ | 8,000,000 |

| | | |
|----|-------------------------------------|----------------|
| 1 | (3) Oregon Business Development | |
| 2 | Department (Art. XI-M) | \$ 176,870,000 |
| 3 | (4) Oregon Business Development | |
| 4 | Department (Art. XI-N) | \$ 30,440,000 |
| 5 | (5) Department of | |
| 6 | Education (Art. XI-P) | \$ 126,210,000 |
| 7 | (6) Oregon Department of | |
| 8 | Administrative | |
| 9 | Services (Art. XI-Q) | \$ 533,585,000 |
| 10 | (7) Department of | |
| 11 | Transportation (Art. XI, | |
| 12 | section 7) | \$ 35,475,000 |
| 13 | <u>Dedicated Fund Obligations</u> | |
| 14 | (8) Department of Veterans' | |
| 15 | Affairs (Art. XI-A) | \$ 100,000,000 |
| 16 | (9) Higher Education Coordinating | |
| 17 | Commission (Art. XI-F(1)): | |
| 18 | (a) Portland State University: | |
| 19 | (A) Land Acquisition for University | |
| 20 | Center Building | \$ 10,220,000 |
| 21 | (B) Broadway Housing Purchase | \$ 53,680,000 |
| 22 | (b) Oregon State University | |
| 23 | Modular Data Center | \$ 7,085,000 |
| 24 | (10) Department of Environmental | |
| 25 | Quality (Art. XI-H) | \$ 10,000,000 |
| 26 | (11) Water Resources Department | |
| 27 | (Art. XI-I(1)) | \$ 30,520,000 |
| 28 | (12) Housing and Community | |
| 29 | Services Department | |
| 30 | (Art. XI-I(2)) | \$ 25,000,000 |

1 (13) State Department of Energy
2 (Art. XI-J)..... \$ 25,000,000

3 Total General Obligation

4 Bonds \$ 1,509,901,600

5 **“SECTION 2. The amounts authorized, as provided by ORS 286A.035,**
6 **for issuance of revenue bonds of the state during the 2015-2017**
7 **biennium are as follows:**

8

9 **REVENUE BONDS**

10 Direct Revenue Bonds

11 **Housing and Community**

12 **Services Department..... \$ 300,000,000**

13 **Highway User Tax Bonds..... \$ 393,160,000**

14 **Oregon Business Development**

15 **Department..... \$ 30,000,000**

16 **Oregon Department of**

17 **Administrative Services,**

18 **Lottery Revenue Bonds \$ 201,795,000**

19 **State Department of Energy \$ 20,000,000**

20 Total Direct Revenue

21 Bonds \$ 944,955,000

22 Pass-Through Revenue Bonds

23 **Oregon Business Development**

24 **Department, Industrial**

25 **Development Bonds..... \$ 200,000,000**

26 **Oregon Business Development**

27 **Department, Beginning and**

28 **Expanding Farmer Loan**

29 **Program \$ 10,000,000**

30 **Oregon Facilities Authority.. \$ 950,000,000**

| | | |
|---|--|-------------------------|
| 1 | Housing and Community | |
| 2 | Services Department..... | \$ 250,000,000 |
| 3 | <u>Total Pass-Through Revenue</u> | |
| 4 | <u>Bonds</u> | \$ 1,410,000,000 |
| 5 | <u>Total Revenue</u> | |
| 6 | <u>Bonds</u> | \$ 2,354,955,000 |

7 **“SECTION 3. The amount authorized, as provided by ORS 286A.035,**
8 **for issuance of certificates of participation and other financing agree-**
9 **ments of the state during the 2015-2017 biennium for the Oregon De-**
10 **partment of Administrative Services is \$40,000,000.**

11 **“SECTION 4. The amounts allocated for private activity bonds, as**
12 **provided in ORS 286A.615, are as follows:**

- 13 (1) For calendar year 2016,
- 14 the amount of \$397,023,900
- 15 is allocated as follows:
- 16 (a) Oregon Business Development
- 17 Department, Industrial
- 18 Development Bonds..... \$ 40,000,000
- 19 (b) Oregon Business Development
- 20 Department, Beginning and
- 21 Expanding Farmer Loan
- 22 Program \$ 5,000,000
- 23 (c) Housing and Community
- 24 Services Department..... \$ 125,000,000
- 25 (d) State Department of Energy \$ 5,000,000
- 26 (e) Private Activity Bond
- 27 Committee..... \$ 222,023,900
- 28 (2) For calendar year 2017,
- 29 the amount of \$397,023,900
- 30 is allocated as follows:

- 1 (a) Oregon Business Development
- 2 Department, Industrial
- 3 Development Bonds..... \$ 40,000,000
- 4 (b) Oregon Business Development
- 5 Department, Beginning and
- 6 Expanding Farmer Loan
- 7 Program \$ 5,000,000
- 8 (c) Housing and Community
- 9 Services Department..... \$ 125,000,000
- 10 (d) State Department of Energy \$ 5,000,000
- 11 (e) Private Activity Bond
- 12 Committee..... \$ 222,023,900
- 13 (3) If an increase in this state’s population, a
- 14 sufficient increase in the region’s Consumer
- 15 Price Index or a change in federal law allows
- 16 the private activity bond limit as set by the
- 17 Internal Revenue Code of 1986, as amended, to
- 18 exceed \$397,023,900 during the 2016 calendar
- 19 year or \$397,023,900 during the 2017 calendar
- 20 year, the increase is allocated to the Private
- 21 Activity Bond Committee.

22 **“SECTION 5. (1) For purposes of Article XI-F(1), section 1, of the**
 23 **Oregon Constitution, the Legislative Assembly determines that the**
 24 **projects authorized to be financed pursuant to section 1 (9) of this 2015**
 25 **Act with bonds issued under Article XI-F(1) of the Oregon Constitution**
 26 **will benefit higher education institutions or activities.**

27 **“(2) For purposes of Article XI-G, section 1, of the Oregon Consti-**
 28 **tution, the Legislative Assembly determines that the projects author-**
 29 **ized to be financed pursuant to section 1 (1) and (2) of this 2015 Act**
 30 **with bonds issued under Article XI-G of the Oregon Constitution will**

1 **benefit higher education institutions or activities or community col-**
2 **leges authorized by law to receive state aid.**

3 **“SECTION 6. Bonds authorized under section 1 (1) or (2) of this 2015**
4 **Act may not be issued until the constructing authority certifies to the**
5 **State Treasurer that the constructing authority has matching funds**
6 **available for the same or similar purposes as the Article XI-G bonds**
7 **that will fund the grant or loan to the constructing authority, that the**
8 **match funds are not proceeds of indebtedness incurred by the state**
9 **under any article of the Oregon Constitution, and that the match**
10 **funds are available to the constructing authority in an amount at least**
11 **equal to the amount of Article XI-G bond proceeds the constructing**
12 **authority will receive.**

13 **“SECTION 7. Section 20, chapter 121, Oregon Laws 2014, is amended to**
14 **read:**

15 **“Sec. 20. As used in sections 19 to 23, chapter 121, Oregon Laws 2014**
16 **[of this 2014 Act]:**

17 **“(1) ‘Article XI-G bonds’ means general obligation bonds issued under the**
18 **authority of Article XI-G of the Oregon Constitution.**

19 **“(2) ‘Bond-related costs’ means:**

20 **“(a) The costs of paying the principal of, the interest on and the premium,**
21 **if any, on the OHSU Cancer Challenge Article XI-G Bonds.**

22 **“(b) The costs and expenses of issuing, administering and maintaining**
23 **OHSU Cancer Challenge Article XI-G Bonds, including the costs and ex-**
24 **penses of:**

25 **“(A) Redeeming the OHSU Cancer Challenge Article XI-G Bonds.**

26 **“(B) Paying amounts due in connection with credit enhancement devices**
27 **or agreements for exchange of interest rates.**

28 **“(C) Paying the fees, administrative costs and expenses of the State**
29 **Treasurer, the Oregon Department of Administrative Services or Oregon**
30 **Health and Science University, including the costs of consultants or advisers**

1 retained by the State Treasurer, the department or the university.

2 “(c) The costs of funding reserves for the OHSU Cancer Challenge Article
3 XI-G Bonds.

4 “(d) Capitalized interest for the OHSU Cancer Challenge Article XI-G
5 Bonds.

6 “(e) Rebates or penalties due to the United States in connection with the
7 OHSU Cancer Challenge Article XI-G Bonds.

8 “(f) Any other costs or expenses that the State Treasurer, the department
9 or the university determines are necessary or desirable in connection with
10 issuing and maintaining the OHSU Cancer Challenge Article XI-G Bonds.

11 “(3) ‘Matching funds’ means moneys in an aggregate amount totaling at
12 least *[\$161,490,000]* **the amount of bond proceeds** that are available, as
13 required by Article XI-G, section 1 (3), of the Oregon Constitution, to the
14 university and that are used by the university to pay costs of the project.

15 “(4) ‘OHSU Cancer Challenge Article XI-G Bonds’ means general obli-
16 gation bonds issued or other general obligation indebtedness incurred under
17 the authority of Article XI-G of the Oregon Constitution and sections 19 to
18 **23, chapter 121, Oregon Laws 2014** *[of this 2014 Act]*.

19 “(5) ‘OHSU Cancer Institute Project’ or ‘project’ means the acquisition,
20 construction, improvement, repair, equipping and furnishing of buildings,
21 structures or lands that:

22 “(a) May be constructed or developed in collaboration with other entities;

23 “(b) Are owned, leased or occupied, in whole or in part, by the university;
24 and

25 “(c) Contain facilities used directly for or in furtherance of:

26 “(A) The purposes of health care, cancer-related research, cancer-related
27 clinical care or cancer-related higher education, including clinical labora-
28 tory, clinical trial, wet laboratory, research administration or other
29 research-related purposes; and

30 “(B) Any other higher education, administration, research, non-research

1 or ancillary purposes.

2 **“SECTION 8.** Section 21, chapter 121, Oregon Laws 2014, is amended to
3 read:

4 **“Sec. 21.** (1) In [*the biennium beginning July 1, 2013, or in*] the biennium
5 beginning July 1, 2015, the State Treasurer, at the request of the Oregon
6 Department of Administrative Services, may issue Article XI-G bonds, as
7 provided in this chapter, [*in an amount not to exceed \$161,490,000 in net pro-*
8 *ceeds*] for the purpose of financing the project, plus an amount determined
9 by the State Treasurer to pay estimated bond-related costs.

10 **“(2)** OHSU Cancer Challenge Article XI-G Bonds are a general obligation
11 of the State of Oregon and must contain a direct promise on behalf of the
12 State of Oregon to pay the principal of, the interest on and the premium, if
13 any, on the OHSU Cancer Challenge Article XI-G Bonds. The State of
14 Oregon shall pledge its full faith and credit and taxing power, including the
15 ad valorem taxing power, to pay the principal of, the interest on and the
16 premium, if any, on the bonds.

17 **“(3)** The proceeds of bonds issued under this section are appropriated to
18 the State Treasurer for the payment of bond-related costs and for transfer
19 to the department.

20 **“(4)** The State Treasurer shall transfer net proceeds and interest earnings
21 [*in an amount equal to \$161,490,000*] to the department to be granted to
22 Oregon Health and Science University upon satisfaction of terms and con-
23 ditions in the grant agreement required by section 22, **chapter 121, Oregon**
24 **Laws 2014** [*of this 2014 Act*].

25 **“SECTION 9.** Section 22, chapter 121, Oregon Laws 2014, is amended to
26 read:

27 **“Sec. 22.** (1) Before the State Treasurer may issue the OHSU Cancer
28 Challenge Article XI-G Bonds:

29 **“(a)** The Oregon Department of Administrative Services and Oregon
30 Health and Science University must enter into a grant agreement in which

1 the parties:

2 “(A) Establish terms and conditions related to the grant, disbursement
3 and use of [*\$161,490,000 in*] net proceeds of the OHSU Cancer Challenge Ar-
4 ticle XI-G Bonds and interest earnings; and

5 “(B) Provide for granting of [*\$161,490,000*] **net proceeds** to the university
6 upon satisfaction of the terms and conditions imposed in the grant agree-
7 ment.

8 “(b) The department must certify to the State Treasurer that the grant
9 agreement has been entered into between the department and the university
10 and that the university has certified to the department that the university
11 has:

12 “(A) Satisfied all material conditions precedent to its receipt of the
13 matching funds; and

14 “(B) Satisfied all material conditions precedent to its receipt of at least
15 \$800 million in gifts and legally irrevocable pledges.

16 “(2) The terms and conditions of the grant agreement may:

17 “(a) Impose restrictions on the use of the grant.

18 “(b) Require that the [*\$161,490,000 in*] bond proceeds be granted directly
19 to a trustee or escrow agent.

20 “(c) Impose other requirements that the department determines are in the
21 best interest of the State of Oregon as necessary to:

22 “(A) Issue, sell or preserve the tax-exempt status, if any, of the OHSU
23 Cancer Challenge Article XI-G Bonds; and

24 “(B) Administer the grant.

25 “(3) The department shall transfer the grant to the university when the
26 department is satisfied that the university has complied, or will comply, with
27 all of the terms and conditions imposed by Article XI-G of the Oregon Con-
28 stitution, sections 19 to 23, **chapter 121, Oregon Laws 2014** [*of this 2014*
29 *Act*] and the grant agreement required by this section.

30 “(4) Subject to the approval of the State Treasurer, the department may:

1 “(a) Enter into agreements with a trustee or escrow agent regarding the
2 disbursement and use of the moneys granted to the university; and

3 “(b) Transfer the moneys granted to the university directly to a trustee
4 or escrow agent.

5 “(5) ORS 351.450, 351.455 and 351.460 do not apply to OHSU Cancer
6 Challenge Article XI-G Bonds or to Oregon Health and Science University
7 in connection with the bonds.

8 **“SECTION 10. Out of the amount specified in section 1 (6) of this
9 2015 Act, the State Treasurer may issue Article XI-Q bonds in an
10 amount not to exceed \$27,775,000 of net proceeds for the purposes
11 specified in section 8 (3), chapter 705, Oregon Laws 2013, plus an
12 amount estimated by the State Treasurer to pay estimated bond-
13 related costs.**

14 **“SECTION 11. This 2015 Act being necessary for the immediate
15 preservation of the public peace, health and safety, an emergency is
16 declared to exist, and this 2015 Act takes effect July 1, 2015.”.**

17
