SB 5505-2 (LC 9505) 7/1/17 (DFY/ps)

Requested by JOINT COMMITTEE ON WAYS AND MEANS

## PROPOSED AMENDMENTS TO SENATE BILL 5505

1	On	$\frac{1}{1}$ page $\frac{1}{1}$ of the printed bill, line	$\geq 2$ , after the semicolon insert "creating
2	new p	provisions; amending ORS 283.08	35 and 286A.833;".
3	Del	lete lines 4 through 28 and dele	ete pages $2$ through $5$ and insert:
4	" <u>S</u> I	ECTION 1. The amounts auth	orized, as provided by ORS 286A.035,
5	for is	ssuance of general obligation	on bonds of the state during the
6	2017-2	2019 biennium, notwithstand	ing section 10, chapter 705, Oregon
7	Laws	2013, are as follows:	
8			
9	GEN	NERAL OBLIGATION BONDS	
LO	General Fund Obligations		
11	(1)	Higher Education Coordinating	
12		Commission (Art. XI-G):	
13	(a)	Oregon Institute of	
l4		Technology, Center for	
15		Excellence in Engineering	
16		and Technology/Cornett	
L7		Hall Renovation \$	2,050,000
18	<b>(b)</b>	Oregon State University:	
19	<b>(A)</b>	Quality Foods and Beverage	
20		Center \$	9,100,000
21	<b>(B)</b>	Gilkey Hall Renovation \$	2,050,000

1	(c)	Portland State University,	
2		<b>Graduate School of</b>	
3		Education Facility \$	36,485,000
4	( <b>d</b> )	University of Oregon,	
5		Campus for Accelerating	
6		Scientific Impact \$	50,620,000
7	(e)	Western Oregon University:	
8	<b>(A)</b>	Information Technology	
9		Center Renovation \$	540,000
10	<b>(B)</b>	Oregon Military Building	
11		Renovation \$	540,000
12	<b>(f)</b>	Blue Mountain Community	
13		College, Facility for	
14		Agricultural Resource	
15		Management \$	5,115,000
16	( <b>g</b> )	Chemeketa Community	
17		College, Agricultural	
18		Complex \$	6,125,000
19	( <b>h</b> )	Clackamas Community College:	
20	<b>(A)</b>	DeJardin Building Addition \$	8,140,000
21	<b>(B)</b>	Student Services and	
22		Community Commons \$	8,140,000
23	<b>(i)</b>	Clatsop Community College,	
24		Marine Science Center	
25		Renovation and Expansion \$	8,135,000
26	<b>(j</b> )	Columbia Gorge Community	
27		College, Middle College	
28		Prototype Facility \$	7,400,000
29	( <b>k</b> )	Lane Community College,	
30		Health Care Village Facility \$	8,140,000

1	(L)	<b>Linn-Benton Community</b>	
2		College, Student Advising	
3		and Campus Safety Center \$	7,635,000
4	( <b>m</b> )	Mt. Hood Community College,	
5		Maywood Park Center \$	8,140,000
6	( <b>n</b> )	Oregon Coast Community	
7		College, Workforce Education	
8		and Resiliency Center \$	8,140,000
9	(o)	Portland Community College,	
10		Health Technology	
11		Building Renovation \$	8,140,000
12	<b>(p)</b>	Rogue Community College,	
13		Elk Building Science Facility	
14		Renovation and Expansion \$	6,125,000
15	<b>(q)</b>	Southwestern Oregon	
16		Community College,	
17		Dellwood Hall Remodel and	
18		Expansion\$	2,805,000
19	<b>(r)</b>	<b>Treasure Valley Community</b>	
20		College, Workforce	
21		Vocational Center \$	2,865,000
22	<b>(s)</b>	Umpqua Community College,	
23		Industrial Technology	
24		Building\$	8,140,000
25	<b>(2)</b>	Department of Environmental	
26		Quality (Art. XI-H) \$	10,300,000
27	(3)	Oregon Business Development	
28		Department (Art. XI-M) \$	101,180,000
29	(4)	Oregon Business Development	
30		Department (Art. XI-N) \$	20,430,000

1	<b>(5)</b>	Department of Education	
2		(Art. XI-P) \$	100,985,000
3	(6)	Oregon Department of	
4		Administrative	
5		Services (Art. XI-Q):	
6	(a)	Department of Corrections:	
7	<b>(A)</b>	Capital Improvements and	
8		Renewal\$	26,770,000
9	<b>(B)</b>	Technology Infrastructure \$	12,445,000
10	<b>(b)</b>	Department of Education,	
11		Oregon School for the Deaf	
12		Facility Improvements \$	4,365,000
13	(c)	Department of Human	
14		Services, ONE Integrated	
15		Eligibility and Medicaid	
16		Eligibility System \$	34,045,000
17	( <b>d</b> )	Department of Justice,	
18		Child Support Enforcement	
19		Automated System \$	16,585,000
20	(e)	Department of Revenue,	
21		Core Tax Revenue Systems	
22		Replacement\$	4,855,000
23	<b>(f)</b>	Department of Veterans'	
24		Affairs:	
25	<b>(A)</b>	Lebanon Veteran's Home	
26		Parking Lot\$	1,345,000
27	<b>(B)</b>	The Dalles Veterans' Home	
28		Capital Improvements \$	1,195,000
29	<b>(C)</b>	Roseburg Veterans' Home \$	10,720,000
30	( <b>g</b> )	Housing and Community	

1		Services Department, Local	
2		Innovation and Fast Track	
3		Housing Program \$ 81,0	90,000
4	( <b>h</b> )	Higher Education	
5		<b>Coordinating Commission:</b>	
6	( <b>A</b> )	Public Universities Capital	
7		Improvement and Renewal \$ 50,6	20,000
8	<b>(B)</b>	Eastern Oregon University,	
9		Loso Hall Renovation \$ 5,5	75,000
10	<b>(C)</b>	Oregon Institute of	
11		Technology:	
12	<b>(i)</b>	Center for Excellence in	
13		Engineering and Technology/	
14		Cornett Hall Renovation \$ 38,4	75,000
15	(ii)	Oregon Manufacturing	
16		Innovation Center, Research	
17		and Development Facility \$ 3,9	40,000
18	<b>(D)</b>	Oregon State University:	
19	<b>(i)</b>	Cordley Hall Renovation \$ 15,2	50,000
20	(ii)	Fairbanks Hall Renovation \$ 11,2	20,000
21	(iii)	Gilkey Hall Renovation \$ 1,0	45,000
22	(iv)	<b>Cascades Expansion Site</b>	
23		Reclamation \$ 9,1	45,000
24	<b>(E)</b>	Portland State University,	
25		Graduate School of	
26		Education Facility \$ 9,1	45,000
27	<b>(F)</b>	Southern Oregon	
28		University, Central Hall	
29		Capital Improvements \$ 6,1	25,000
30	( <b>G</b> )	Western Oregon University:	

1	<b>(i)</b>	Information Technology	
2		Center Renovation \$	5,070,000
3	<b>(ii)</b>	Oregon Military Building	
4		Renovation \$	7,335,000
5	<b>(i)</b>	Legislative Administration	
6		Committee, Capitol	
7		Accessibility, Maintenance,	
8		and Safety \$	13,960,000
9	<b>(j</b> )	Oregon Judicial Department:	
10	<b>(A)</b>	Lane County Courthouse \$	5,115,000
11	<b>(B)</b>	<b>Multnomah County</b>	
12		Courthouse \$	102,495,000
13	<b>(C)</b>	Oregon Supreme Court	
14		Building Renovation \$	6,125,000
15	( <b>k</b> )	Oregon Military Department:	
16	<b>(A)</b>	Grants Pass Armory	
17		Service Life Extension \$	3,330,000
18	<b>(B)</b>	Regional Armory Emergency	
19		Enhancement Project \$	8,675,000
20	<b>(C)</b>	Regional Training Institute \$	6,630,000
21	<b>(D)</b>	Resiliency Grant Fund \$	5,070,000
22	<b>(E)</b>	Youth Challenge Armory \$	5,095,000
23	(L)	Oregon Youth Authority:	
24	<b>(A)</b>	Capital Improvements \$	17,450,000
25	<b>(B)</b>	MacLaren West Cottages	
26		Renovation \$	15,450,000
27	<b>(C)</b>	Rogue Valley Facility	
28		Improvements \$	7,095,000
29	( <b>m</b> )	State Department of Fish	
30		and Wildlife\$	10,215,000

1	( <b>n</b> )	State Forestry Department,	
2		Toledo Facility Replacement. \$	774,225
3	Dedi	icated Fund Obligations	
4	<b>(7</b> )	Department of Veterans'	
5		Affairs (Art. XI-A) \$	120,000,000
6	(8)	<b>Higher Education Coordinating</b>	
7		Commission (Art. XI-F(1)):	
8	(a)	Portland State University:	
9	<b>(A)</b>	Land Acquisition for	
10		University Center Building \$	15,260,000
11	<b>(B)</b>	12th & Market	
12		Residence Hall \$	54,225,000
13	(C)	Graduate School of	
14		Education Facility \$	6,080,000
15	<b>(D)</b>	Corbett Building Purchase \$	5,100,000
16	<b>(b)</b>	Oregon Institute of	
17		Technology, Student	
18		Recreation Center \$	5,115,000
19	(c)	Eastern Oregon University,	
20		Track and Field Facilities	
21		Restoration \$	790,000
22	(9)	Department of Environmental	
23		Quality (Art. XI-H) \$	10,000,000
24	(10)	Housing and Community	
25		Services Department	
26		(Art. XI-I(2)) \$	25,000,000
27	(11)	Oregon Department of	
28		Administrative Services	
29		(Art. XI-Q):	
30	(a)	Portland State Office	

1	Building Improvements \$ 13,360,000
2	(b) State Forestry Department,
3	Toledo Facility Replacement. \$ 1,075,775
4	Total General Obligation
5	Bonds \$ 1,257,310,000
6	"SECTION 2. The amounts authorized, as provided by ORS 286A.035,
7	for issuance of revenue bonds of the state during the 2017-2019
8	biennium are as follows:
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10	REVENUE BONDS
11	Direct Revenue Bonds
12	Housing and Community
13	Services Department \$ 300,000,000
14	Oregon Business Development
15	Department \$ 30,000,000
16	Oregon Department of
17	Administrative Services,
18	Lottery Revenue Bonds \$ 199,860,000
19	Total Direct Revenue
20	<u>Bonds</u> \$ 529,860,000
21	Pass-Through Revenue Bonds
22	Oregon Business Development
23	Department, Industrial
24	Development Bonds \$ 400,000,000
25	Oregon Business Development
26	Department, Beginning and
27	Expanding Farmer Loan
28	Program \$ 10,000,000
29	Oregon Facilities Authority \$ 1,350,000,000
30	Housing and Community

1		Services Department \$ 325,000,000	
2	Tota	al Pass-Through Revenue	
3	<u>Bonds</u> \$ 2,085,000,000		
4	Tota	al Revenue Bonds \$ 2,614,860,000	
5	"SI	ECTION 3. The amount authorized, as provided by ORS 286A.035,	
6	for is	suance of certificates of participation and other financing agree-	
7	ments	of the state during the 2017-2019 biennium for the Oregon De-	
8	partm	ent of Administrative Services is \$110,985,000.	
9	" <u>SI</u>	ECTION 4. The amounts allocated for private activity bonds, as	
10	provid	led in ORS 286A.615, are as follows:	
11	(1)	For calendar year 2018,	
12		the amount of \$409,346,500	
13		is allocated as follows:	
14	(a)	Oregon Business Development	
15		Department, Industrial	
16		Development Bonds \$ 40,000,000	
17	<b>(b)</b>	Oregon Business Development	
18		Department, Beginning and	
19		Expanding Farmer Loan	
20		Program \$ 5,000,000	
21	(c)	Housing and Community	
22		Services Department \$125,000,000	
23	( <b>d</b> )	Private Activity Bond	
24		Committee	
25	(2)	For calendar year 2019,	
26		the amount of \$409,346,500	
27		is allocated as follows:	
28	(a)	Oregon Business Development	
29		Department, Industrial	
30		Development Bonds \$ 40,000,000	

1	<b>(b)</b>	Oregon Business Development
2		Department, Beginning and
3		Expanding Farmer Loan
4		Program \$ 5,000,000
5	(c)	Housing and Community
6		Services Department \$125,000,000
7	( <b>d</b> )	Private Activity Bond
8		Committee\$239,346,500
9	(3)	If an increase in this state's population, a
10		sufficient increase in the region's Consumer
11		Price Index or a change in federal law allows
12		the private activity bond limit as set by the
13		Internal Revenue Code of 1986, as amended, to
14		exceed \$409,346,500 during the 2018 calendar
15		year or \$409,346,500 during the 2019 calendar
16		year, the increase is allocated to the Private
17		Activity Bond Committee.
18	" <u>S</u> I	ECTION 5. (1) For purposes of Article XI-F(1), section 1, of the
19	Orego	on Constitution, the Legislative Assembly determines that the
20	projec	ets authorized to be financed pursuant to section 1 (8) of this 2017
21	Act w	ith bonds issued under Article XI-F(1) of the Oregon Constitution
22	will b	enefit higher education institutions or activities.
23	"(2	) For purposes of Article XI-G, section 1, of the Oregon Consti-
24	tution	, the Legislative Assembly determines that the projects author-
25	ized t	o be financed pursuant to section 1 (1) of this 2017 Act with bonds
26	issued	l under Article XI-G of the Oregon Constitution will benefit

"SECTION 6. Bonds authorized under section 1 (1) of this 2017 Act may not be issued until the constructing authority certifies that the

higher education institutions or activities or community colleges au-

thorized by law to receive state aid.

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- 1 constructing authority has matching funds available for the same or
- 2 similar purposes as the Article XI-G bonds that will fund the grant to
- 3 the constructing authority, that the match funds are not proceeds of
- 4 indebtedness incurred by the state under any other article of the
- 5 Oregon Constitution, and that the match funds are available to the
- 6 constructing authority in an amount at least equal to the amount of
- 7 indebtedness incurred by the state through the issuance of the Article
- 8 XI-G bonds.
- 9 **"SECTION 7.** ORS 286A.833 is amended to read:
- "286A.833. (1) In accordance with the applicable provisions of this chap-
- ter, the State Treasurer, with the concurrence of the [Director of the Oregon
- 12 Department of Administrative Services] Higher Education Coordinating
- 13 Commission, may issue Article XI-F(1) bonds for the benefit of a public
- 14 **university** if:
- "(a) The [Higher Education Coordinating Commission] Director of the
- 16 Oregon Department of Administrative Services requests that bonds be
- issued for the purposes specified in Article XI-F(1) of the Oregon Constitu-
- tion, plus an amount determined by the State Treasurer to pay estimated
- 19 bond-related costs;
- 20 "(b) The issuance does not exceed the budget authorization for bond is-
- suance established under ORS 286A.035; and
- 22 "(c) A loan agreement is executed under ORS 286A.836 prior to sale of the
- 23 bonds.
- 24 "(2) The State Treasurer may issue Article XI-F(1) bonds for the purpose
- of refunding Article XI-F(1) bonds, with the concurrence of a public univer-
- 26 sity that received proceeds of Article XI-F(1) bonds to be refunded.
- 27 "(3) The State Treasurer shall deposit the net proceeds of Article XI-F(1)
- 28 bonds in one or more project funds established in the State Treasury or with
- 29 a third party under contract with the Oregon Department of Administrative
- 30 Services and approved by the State Treasurer. Net proceeds of Article XI-F(1)

- bonds must be expended for the purposes described in the commission's budget authorization.
- "(4) If at any time the department and the commission jointly determine 3 that the net proceeds of Article XI-F(1) bonds deposited in a project fund 4 pursuant to subsection (3) of this section exceed the cost of the project de-5 scribed in the commission's budget authorization, the department may allo-6 cate and transfer the excess amount as determined by the department to 7 other project funds, the Article XI-F(1) Bond Fund established under ORS 8 286A.839 or the Article XI-F(1) Bond Administration Fund established under 9 ORS 286A.842. Before transferring an excess amount under this subsection, 10 the department shall consult with the public university for whose benefit the 11 Article XI-F(1) bonds were issued, but the department may transfer an excess 12 amount without the approval of the public university. Excess amounts may 13 not be transferred to a project fund for the project of another public uni-14 versity unless the applicable loan agreements and loan repayment schedules 15 are amended to reflect the transfer. 16
  - "(5) Article XI-F(1) bonds are direct general obligations of the State of Oregon and must contain a direct promise on behalf of the State of Oregon to pay the principal of, the interest on and the premium, if any, on the Article XI-F(1) bonds. The State of Oregon shall pledge its full faith and credit and taxing power to the payment of the principal of, the interest on and the premium, if any, on Article XI-F(1) bonds, and the ad valorem taxing power of the State of Oregon may be pledged to pay Article XI-F(1) bonds.

**"SECTION 8.** ORS 283.085 is amended to read:

"283.085. As used in ORS 283.085 to 283.092:

"(1) 'Available funds' means funds appropriated or otherwise made available by the Legislative Assembly to pay amounts due under a financing agreement for the fiscal period in which the payments are due, unexpended proceeds of the financing agreement and reserves or other amounts that have been deposited in trust to pay amounts due under the financing agreement.

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- "(2) 'Credit enhancement agreement' means any agreement or contractual relationship between the state and any bank, trust company, insurance company, surety bonding company, pension fund or other financial institution providing additional credit on or security for a financing agreement or certificates of participation authorized by ORS 283.085 to 283.092.
- 6 "(3) 'Financing agreement' means a lease purchase agreement, an install-7 ment sale agreement, a loan agreement or any other agreement:
- 8 "(a) To finance real or personal property that is or will be owned and 9 operated by the state or any of its agencies;
  - "(b) To finance infrastructure, including but not limited to telecommunications systems, systems for water, sewage, electricity, steam or natural gas and other equipment or improvements that are necessary or appropriate to support a facility that is, or will be, owned or operated by the state;
  - "(c) To finance infrastructure components that are, or will be, owned or operated by a local government agency of this state if the Director of the Oregon Department of Administrative Services determines that financing the infrastructure facilitates the construction or operation of an adult or juvenile corrections facility or a public safety training facility owned or operated by the state or any of its agencies;
  - "(d) To finance all or a portion of the state's pension liabilities for retirement, health care or disability benefits, in an amount that produces net proceeds that do not exceed the State Treasurer's estimate of those liabilities based on information provided to the State Treasurer by the Public Employees Retirement System; [or]
    - "(e) To finance:

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- "(A) The release of all or a portion of the Elliott State Forest from restrictions resulting from ownership of that forest by the Common School Fund; or
- 29 "(B) Compensation paid to the Common School Fund for the pres-30 ervation of noneconomic benefits of the forest through the imposition,

- transfer or sale of restrictions such as easements, use requirements
- 2 or other methods that preserve noneconomic benefits of the forest for
- 3 the public, including recreation, aesthetics, wildlife or habitat preser-
- 4 vation or other environmental and quality of life considerations; or
- "[(e)] (f) To refinance previously executed financing agreements.
- 6 "(4) 'Financing costs' means costs or expenses that the director deter-
- 7 mines are necessary or desirable in connection with entering into financing
- 8 agreements and maintaining the certificate of participation program, includ-
- 9 ing but not limited to payment of:
- "(a) Amounts due under financing agreements;
- "(b) Costs and obligations the director or any other agency of the state
- incurs in connection with the exercise of a power granted by ORS 283.085
- 13 to 283.092; and
- "(c) Amounts due in connection with the investment of proceeds of fi-
- 15 nancing agreements.
- "(5) 'Personal property' means tangible personal property, software and
- 17 fixtures.
- "(6) 'Property rights' means, with respect to personal property, the rights
- of a secured party under ORS chapter 79, and, with respect to real property,
- 20 the rights of a trustee or lender under a lease authorized by ORS 283.089
- 21 (1)(e).
- 22 "(7) 'Software' means software and training and maintenance contracts
- 23 related to the operation of computing equipment.
- "SECTION 9. (1) A community college for which one project to be
- 25 funded with general obligation bonds authorized to be issued under
- 26 Article XI-G of the Oregon Constitution is approved in this 2017 Act
- 27 may not request approval of an additional project to be funded with
- 28 general obligation bonds authorized to be issued under Article XI-G
- of the Oregon Constitution until the beginning of the regular session
- of the Legislative Assembly held in 2021, unless the community college

- withdraws the project approved under this 2017 Act. 1
- "(2) A community college for which two projects to be funded with 2 general obligation bonds authorized to be issued under Article XI-G
- 3 of the Oregon Constitution is approved in this 2017 Act may not re-
- quest approval of an additional project to be funded with general ob-5
- ligation bonds authorized to be issued under Article XI-G of the 6
- Oregon Constitution until the beginning of the regular session of the 7
- Legislative Assembly held in 2025, unless the community college with-8
- draws a project approved under this 2017 Act. 9
- "SECTION 10. (1) Out of the amount specified in section 1 (6)(j)(A) 10
- of this 2017 Act, the State Treasurer may issue Article XI-Q bonds in 11
- an amount not to exceed \$5,000,000 of net proceeds for the purposes 12
- and in the manner specified in section 8, chapter 705, Oregon Laws 13
- 2013, plus an amount estimated by the State Treasurer to pay esti-14
- mated bond-related costs. 15
- "(2) Out of the amount specified in section 1 (6)(j)(B) of this 2017 16
- Act, the State Treasurer may issue Article XI-Q bonds in an amount 17
- not to exceed \$92,600,000 of net proceeds for the purposes and in the 18
- manner specified in section 8, chapter 705, Oregon Laws 2013, plus an 19
- amount estimated by the State Treasurer to pay estimated bond-20
- related costs. 21

- "(3) For purposes of sections 8 and 9, chapter 705, Oregon Laws 2013, 22
- and section 64, chapter 723, Oregon Laws 2013, bonds issued pursuant 23
- to this section are considered to be bonds issued pursuant to section 24
- 8, chapter 705, Oregon Laws 2013. 25
- "(4) Bonds may not be issued out of the amounts specified in section 26
- 1 (6)(j)(A) and (B) of this 2017 Act except as provided in this section. 27
- "SECTION 11. (1) As used in this section: 28
- "(a) 'Apprentice' has the meaning given that term in ORS 660.010. 29
- "(b) 'Apprenticeable occupation' has the meaning given that term 30

1 in ORS 660.010.

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- "(c) 'Apprenticeship training program' means the total system of apprenticeship that a particular local joint committee, as defined in ORS 660.010, operates, including the local joint committee's registered standards and all other terms and conditions for qualifying, recruiting, selecting, employing and training apprentices in an apprenticeable occupation.
- 8 "(d) 'Minority individual' has the meaning given that term in ORS 9 200.005.
  - "(e) 'Qualified contracts' means contracts that:
- "(A) Are for improvements to real property in connection with the University of Oregon Campus for Accelerating Scientific Impact;
- 13 "(B) Have a cost that, at the time the contract is executed, is esti-14 mated to be greater than \$200,000; and
- 15 "(C) Are to be paid from proceeds of bonds issued under Article 16 XI-G of the Oregon Constitution.
  - "(f) 'Woman' has the meaning given that term in ORS 200.005.
- 18 "(2) The University of Oregon, in all qualified contracts, shall re-19 quire contractors to:
  - "(a) Employ apprentices to perform 15 percent of the work hours that workers in apprenticeable occupations perform under the contract, in a manner consistent with the apprentices' respective apprenticeship training programs;
- "(b) Establish and execute a plan for outreach, recruitment and retention of women and minority individuals to perform work under the contract; and
- "(c) Require any subcontractors engaged by the contractors to abide by the requirements set forth in paragraphs (a) and (b) of this subsection.
  - "(3) On or before February 1 of each year, the University of Oregon

shall report to the Joint Committee on Ways and Means or Joint Interim Committee on Ways and Means on the amount of work per-2 formed by apprentices, women and minority individuals under 3 qualified contracts.

"SECTION 12. This 2017 Act being necessary for the immediate 5 preservation of the public peace, health and safety, an emergency is 6 declared to exist, and this 2017 Act takes effect July 1, 2017.". 7

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