

House Bill 3209

Sponsored by Representative PRUSAK, Senator WAGNER, Representative MEEK; Representatives BYNUM, DRAZAN, LEWIS, NERON, POWER, REARDON, SALINAS, WILLIAMS, Senators OLSEN, THOMSEN

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 **as introduced**.

Authorizes issuance of general obligation bonds for Interstate 205: Stafford Road to State Highway 213 Project.

Requires Department of Transportation to consult with certain local governments impacted by state or federal highway bridge project if project costs at least \$200 million.

Declares emergency, effective on passage.

A BILL FOR AN ACT

1 Relating to transportation; and declaring an emergency.

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

3 **SECTION 1. Definition. As used in sections 1 to 6 of this 2019 Act, "Interstate 205:**
4 **Stafford Road to State Highway 213 Project general obligation bond" means a general obli-**
5 **gation bond issued under section 3 of this 2019 Act.**

6 **SECTION 2. Short-term bonding. The Oregon Transportation Commission may request**
7 **that the State Treasurer issue short-term bonds as provided in ORS chapter 286A for the**
8 **purpose of managing cash flows for the Interstate 205: Stafford Road to State Highway 213**
9 **Project, which may include, but is not limited to, repaying moneys borrowed from any public**
10 **body, as defined in ORS 174.109, or any department or agency of the federal government. ORS**
11 **286A.035 does not apply to bonds issued under this section. Any bonds issued under this**
12 **section must be repaid from the proceeds of bonds or other moneys available to the com-**
13 **mission for the Interstate 205: Stafford Road to State Highway 213 Project.**

14 **SECTION 3. General obligation bonding. (1) The Oregon Transportation Commission may**
15 **request that the State Treasurer issue general obligation bonds as provided in ORS chapter**
16 **286A and as authorized by Article XI, section 7, of the Oregon Constitution, for the purpose**
17 **of financing the Interstate 205: Stafford Road to State Highway 213 Project, in an amount**
18 **not to exceed \$460,000,000 in net proceeds and interest earnings, plus an amount estimated**
19 **by the State Treasurer to pay bond-related costs.**

20 **(2) The State Treasurer may issue bonds under this section only if:**

21 **(a) The issuance does not exceed the budget authorization for bond issuance established**
22 **under ORS 286A.035; and**

23 **(b) The Department of Transportation makes the revenue sufficiency certification de-**
24 **scribed in section 4 of this 2019 Act.**

25 **(3) The State Treasurer may issue bonds under this section for the purpose of refunding**
26 **bonds previously issued under this section.**

27 **(4) Proceeds of bonds issued under this section must be deposited in the Interstate 205:**
28 **Stafford Road to State Highway 213 Bond Proceeds Fund established under section 5 of this**
29

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 2019 Act or with a trustee as provided in ORS 286A.025. The proceeds may be invested as
 2 provided in ORS 286A.025.

3 (5) Bonds issued under this section are direct general obligations of the State of Oregon
 4 and must contain a direct promise on behalf of the State of Oregon to pay the principal of,
 5 the interest on and the premium, if any, on the bonds. The State of Oregon shall pledge its
 6 full faith and credit and taxing power to the payment of the principal of, the interest on and
 7 premium, if any, on the bonds, and the ad valorem power of the State of Oregon may be
 8 pledged to pay the bonds.

9 **SECTION 4. Revenue sufficiency.** Before the State Treasurer may issue an Interstate 205:
 10 Stafford Road to State Highway 213 Project general obligation bond, the Department of
 11 Transportation shall certify that anticipated revenues available to the Oregon Transportation
 12 Commission, not including amounts appropriated by the Legislative Assembly from the
 13 General Fund, are conservatively estimated to be lawfully available and sufficient to pay debt
 14 service on the bonds proposed to be issued.

15 **SECTION 5. Bond proceeds fund.** (1) The Interstate 205: Stafford Road to State Highway
 16 213 Bond Proceeds Fund is established in the State Treasury, separate and distinct from the
 17 General Fund. Interest earned by the Interstate 205: Stafford Road to State Highway 213
 18 Bond Proceeds Fund must be credited to the fund.

19 (2) The fund consists of proceeds of Interstate 205: Stafford Road to State Highway 213
 20 Project general obligation bonds.

21 (3) The State Treasurer may create or cause to be created any separate accounts or
 22 subaccounts within the fund that the treasurer determines are necessary or convenient.

23 (4) Moneys in the fund are continuously appropriated to the Oregon Transportation
 24 Commission:

25 (a) To finance the Interstate 205: Stafford Road to State Highway 213 Project.

26 (b) To pay the costs of issuing the bonds.

27 (c) To pay the bond debt service of the bonds or establish bond reserves.

28 (d) To pay the costs of the State Treasurer and the commission to administer and
 29 maintain the bonds, including the cost of consultants, advisers, attorneys or other profes-
 30 sional service providers appointed, retained or approved by the treasurer or the commission.

31 (e) To pay capitalized interest, principal or premium, if any, on the bonds.

32 (f) For rebates or penalties due to the United States in connection with the bonds.

33 (g) For other expenditures or uses the commission determines are necessary to further
 34 the purposes of sections 1 to 6 of this 2019 Act.

35 **SECTION 6. No effect to law impairing bond obligations.** The state may not give force
 36 or effect to a statute or initiative or referendum measure approved by the electors of this
 37 state, or any political subdivision of this state, if doing so would unconstitutionally impair
 38 existing covenants made with the holders of Interstate 205: Stafford Road to State Highway
 39 213 Project general obligation bonds or would unconstitutionally impair other obligations or
 40 agreements regarding the security of the bonds.

41 **SECTION 7. No impairment of Highway User Tax Bonds.** Sections 1 to 6 of this 2019 Act
 42 may not be construed to impair the interests of the owners of any Highway User Tax Bonds
 43 issued under ORS 367.615 that are outstanding on or after the effective date of this 2019 Act
 44 or any obligations of the agreements of the Department of Transportation under its
 45 Amended and Restated Master Highway User Tax Revenue Bond Declaration dated June 1,

1 2006, as amended and supplemented.

2 **SECTION 8. Consultation with local governments.** (1) In carrying out a state or federal
3 highway bridge project, the Department of Transportation shall consult with and consider
4 advice and suggestions from local governments where the project is located and local gov-
5 ernments whose boundaries border the project.

6 (2) This section applies to projects that the department estimates to cost at least \$200
7 million to complete.

8 **SECTION 9.** The section captions used in this 2019 Act are provided only for the con-
9 venience of the reader and do not become part of the statutory law of this state or express
10 any legislative intent in the enactment of this 2019 Act.

11 **SECTION 10.** This 2019 Act being necessary for the immediate preservation of the public
12 peace, health and safety, an emergency is declared to exist, and this 2019 Act takes effect
13 on its passage.

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