

**A-Engrossed**  
**Senate Bill 5542**

Ordered by the Senate March 8  
Including Senate Amendments dated March 8

Printed pursuant to Senate Interim Rule 213.28 by order of the President of the Senate in conformance with pre-session filing rules, indicating neither advocacy nor opposition on the part of the President (at the request of Oregon Department of Administrative Services)

**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.

*[Appropriates moneys from General Fund to \_\_\_\_ for biennial expenses.]*  
*[Limits biennial expenditures from fees, moneys or other revenues, including Miscellaneous Receipts, but excluding lottery funds and federal funds, collected or received by \_\_\_\_.]*

*[Limits biennial expenditures of \_\_\_\_ from federal funds.]*

*[Declares emergency, effective July 1, 2019.]*

**Creates separate fund for proceeds of lottery bonds for field house facility at Eastern Oregon University.**

**Modifies purposes for which proceeds of certain general obligation bonds and revenue bonds may be used.**

**Modifies amounts authorized for issuance of certain general obligation bonds and revenue bonds.**

**Repeals authorization for issuance of certain lottery bonds.**

**Declares emergency, effective on passage.**

**A BILL FOR AN ACT**

1  
2 Relating to state financial administration; creating new provisions; amending ORS 274.064 and  
3 sections 1 and 2, chapter 570, Oregon Laws 2017, sections 12, 15 and 29, chapter 748, Oregon  
4 Laws 2017, and section 8, chapter 87, Oregon Laws 2018; repealing section 10, chapter 748,  
5 Oregon Laws 2017; and declaring an emergency.

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

7 **SECTION 1.** Section 8, chapter 87, Oregon Laws 2018, is amended to read:

8 **Sec. 8.** (1) For the biennium ending June 30, 2019, at the request of the Oregon Department of  
9 Administrative Services, after the department consults with the Higher Education Coordinating  
10 Commission, the State Treasurer is authorized to issue lottery bonds pursuant to ORS 286A.560 to  
11 286A.585 in an amount that produces \$9 million in net proceeds and interest earnings for the pur-  
12 poses described in subsection (2) of this section, plus an additional amount estimated by the State  
13 Treasurer to be necessary to pay bond-related costs.

14 (2) Net proceeds of lottery bonds issued under this section in an amount sufficient to provide  
15 \$9 million in net proceeds and interest earnings must be transferred to the Higher Education Coor-  
16 dinating Commission for deposit in the *[Public University Fund established under ORS 352.450, seg-*  
17 *regated in a distinct subaccount to allow necessary compliance with the Internal Revenue Code]* **EOU**  
18 **Field House Facility Fund, established under section 2 of this 2019 Act**, for distribution to  
19 Eastern Oregon University to construct a new field house facility.

20 (3) The Legislative Assembly finds that the use of lottery bond proceeds will create jobs, further

**Note: For budget, see 2019-2021 Biennial Budget**

**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 economic development, finance public education or restore and protect parks, beaches, watersheds  
2 and native fish and wildlife, and is authorized based on the following findings:

3 (a) A new facility is needed in order for the university to have adequate instructional and ath-  
4 letic space.

5 (b) Having adequate university buildings and facilities is essential to Oregon's healthy economic  
6 growth.

7 (c) The field house facility will be used as a venue for regional events, providing significant  
8 economic benefits to local communities.

9 (d) Oregon manufactured wood products, including cross-laminated timber, will be utilized in the  
10 construction of the field house facility, supporting Oregon's wood products manufacturing industry.

11 **SECTION 2. (1) The EOU Field House Facility Fund is established in the State Treasury,**  
12 **separate and distinct from the General Fund. Interest earned on the moneys in the EOU**  
13 **Field House Facility Fund must be credited to the fund. The fund consists of moneys depos-**  
14 **ited in the fund under section 8, chapter 87, Oregon Laws 2018, and may include moneys ap-**  
15 **propriated, allocated, deposited or transferred to the fund by the Legislative Assembly or**  
16 **otherwise and interest earned on moneys in the fund.**

17 **(2) Moneys in the fund are continuously appropriated to the Higher Education Coordi-**  
18 **nating Commission for the purposes specified in section 8, chapter 87, Oregon Laws 2018.**

19 **SECTION 3. The Oregon Department of Administrative Services may expend up to**  
20 **\$533,000 of net proceeds of lottery bonds issued pursuant to section 1, chapter 614, Oregon**  
21 **Laws 2011, for distribution to the Cascade AIDS Project for the purposes described in section**  
22 **12, chapter 748, Oregon Laws 2017.**

23 **SECTION 4.** Section 12, chapter 748, Oregon Laws 2017, is amended to read:

24 **Sec. 12. (1) For the biennium beginning July 1, 2017, at the request of the Oregon Department**  
25 **of Administrative Services, after the department consults with the Cascade AIDS Project, the State**  
26 **Treasurer is authorized to issue lottery bonds pursuant to ORS 286A.560 to 286A.585 in an amount**  
27 **that produces, together with the amount distributed by the department under section 3 of this**  
28 **2019 Act, no more than \$1 million in net proceeds and interest earnings for the purposes described**  
29 **in subsection (2) of this section, plus an additional amount estimated by the State Treasurer to be**  
30 **necessary to pay bond-related costs.**

31 (2) Net proceeds of lottery bonds issued under this section in an amount sufficient to provide  
32 \$1 million in net proceeds and interest earnings must be transferred to the department for deposit  
33 in the ODAS Economic Development Distributions Fund established under ORS 461.553 for distrib-  
34 ution to the Cascade AIDS Project for acquisition and renovation of a primary care and mental  
35 health center for the lesbian, gay, bisexual, transgender, queer, and other minority gender identities  
36 and sexual orientation community.

37 (3) The Legislative Assembly finds that the use of lottery bond proceeds will create jobs, further  
38 economic development, finance public education or restore and protect parks, beaches, watersheds  
39 and native fish and wildlife, and is authorized based on the following findings:

40 (a) Individuals increase their potential for self-sufficiency and use fewer public resources when  
41 they have access to health care.

42 (b) Individuals who have mental illnesses increase their potential for self-sufficiency and use  
43 fewer public resources when they have access to mental health services.

44 **SECTION 5.** Section 15, chapter 748, Oregon Laws 2017, is amended to read:

45 **Sec. 15. (1) For the biennium beginning July 1, 2017, at the request of the Oregon Department**

1 of Administrative Services, after the department consults with the Family Nurturing Center [*Rogue*  
2 *Valley Children's Relief Nursery*], the State Treasurer is authorized to issue lottery bonds pursuant  
3 to ORS 286A.560 to 286A.585 in an amount that produces \$2 million in net proceeds and interest  
4 earnings for the purposes described in subsection (2) of this section, plus an additional amount es-  
5 timated by the State Treasurer to be necessary to pay bond-related costs.

6 (2) Net proceeds of lottery bonds issued under this section in an amount sufficient to provide  
7 \$2 million in net proceeds and interest earnings must be transferred to the department for deposit  
8 in the ODAS Economic Development Distributions Fund established under ORS 461.553 for distrib-  
9 ution to the Family Nurturing Center [*Rogue Valley Children's Relief Nursery to purchase and re-*  
10 *habilitate affordable housing adjacent to the Family Nurturing Center Campus*] **to build or redevelop**  
11 **affordable housing units serving seniors and families with young children.**

12 (3) The Legislative Assembly finds that the use of lottery bond proceeds will create jobs, further  
13 economic development, finance public education or restore and protect parks, beaches, watersheds  
14 and native fish and wildlife, and is authorized based on the following findings:

15 (a) Having housing for at-risk populations is essential to Oregon's healthy economic growth.

16 (b) A severe shortage of affordable housing exists in Oregon, and market indicators demonstrate  
17 a growing gap between the supply of and demand for affordable housing.

18 **SECTION 6.** Section 29, chapter 748, Oregon Laws 2017, is amended to read:

19 **Sec. 29.** (1) For the biennium beginning July 1, 2017, at the request of the Oregon Department  
20 of Administrative Services, after the department consults with the Oregon Business Development  
21 Department, the State Treasurer is authorized to issue lottery bonds pursuant to ORS 286A.560 to  
22 286A.585 in an amount that produces \$3,390,000 in net proceeds and interest earnings for the pur-  
23 poses described in subsection (2) of this section, plus an additional amount estimated by the State  
24 Treasurer to be necessary to pay bond-related costs.

25 (2) Net proceeds of lottery bonds issued under this section in an amount sufficient to provide  
26 \$3,390,000 in net proceeds and interest earnings must be transferred to the Oregon Business Devel-  
27 opment Department for deposit in the American Manufacturing Innovation District Fund established  
28 in section 7a, chapter 66, Oregon Laws 2016, for construction of [*access roads to the*] Oregon Man-  
29 ufacturing Innovation Center [*Research and Development Facility and Training Center*] **access**  
30 **roads.**

31 (3) The Legislative Assembly finds that the use of lottery bonds proceeds with create jobs and  
32 further economic development, and is authorized based on the finding that the Oregon Manufactur-  
33 ing Innovation Center will enable and encourage the development of a robust manufacturing sector  
34 in the Oregon economy.

35 **SECTION 7.** Section 1, chapter 570, Oregon Laws 2017, as amended by section 1, chapter 87,  
36 Oregon Laws 2018, is amended to read:

37 **Sec. 1.** The amounts authorized, as provided by ORS 286A.035, for issuance of general obligation  
38 bonds of the state during the 2017-2019 biennium, notwithstanding section 10, chapter 705, Oregon  
39 Laws 2013, are as follows:

40

41 **GENERAL OBLIGATION BONDS**

42 General Fund Obligations

43 (1) Higher Education Coordinating

44 Commission (Art. XI-G):

45 (a) Oregon Institute of

1	Technology, Center for		
2	Excellence in Engineering		
3	and Technology/Cornett		
4	Hall Renovation.....	\$	2,050,000
5	(b) Oregon State University:		
6	[(A) <i>Quality Foods and Beverage</i>		
7	<i>Center</i> .....	\$	9,100,000]
8	<b>(A) Dairy Products Pilot Plant ...</b>	<b>\$</b>	<b>3,055,000</b>
9	(B) Gilkey Hall Renovation .....	\$	2,050,000
10	(C) Cascades Academic		
11	Building 2.....	\$	10,215,000
12	(c) Portland State University,		
13	Graduate School of		
14	Education Facility .....	\$	36,485,000
15	(d) University of Oregon,		
16	Campus for Accelerating		
17	Scientific Impact .....	\$	70,910,000
18	(e) Western Oregon University:		
19	(A) Information Technology		
20	Center Renovation.....	\$	540,000
21	(B) Oregon Military Building		
22	Renovation.....	\$	540,000
23	(f) Blue Mountain Community		
24	College, Facility for		
25	Agricultural Resource		
26	Management .....	\$	5,115,000
27	(g) Chemeketa Community		
28	College, Agricultural		
29	Complex.....	\$	6,125,000
30	(h) Clackamas Community College:		
31	(A) DeJardin Building Addition.....	\$	8,140,000
32	(B) Student Services and		
33	Community Commons .....	\$	8,140,000
34	(i) Clatsop Community College,		
35	<i>[Marine Science Center]</i>		
36	<i>[Renovation and Expansion].....</i>	<i>\$</i>	<i>8,135,000]</i>
37	<b>Maritime Science Building....</b>	<b>\$</b>	<b>8,135,000</b>
38	(j) Columbia Gorge Community		
39	College, Middle College		
40	Prototype Facility .....	\$	7,400,000
41	(k) Lane Community College,		
42	Health Care Village Facility.....	\$	8,140,000
43	(L) Linn-Benton Community		
44	College, Student Advising		
45	and Campus Safety Center .....	\$	7,635,000

1	(m)	Mt. Hood Community College,		
2		Maywood Park Center.....	\$	8,140,000
3	(n)	Oregon Coast Community		
4		College, Workforce Education		
5		and Resiliency Center.....	\$	8,140,000
6	(o)	Portland Community College,		
7		Health Technology		
8		Building Renovation.....	\$	8,140,000
9	(p)	Rogue Community College,		
10		[ <i>Elk Building Science Facility</i> ]		
11		[ <i>Renovation and Expansion.....</i> ]	\$	6,125,000
12		<b>Redwood Campus Science</b>		
13		<b>Facility.....</b>	\$	<b>6,125,000</b>
14	(q)	Southwestern Oregon		
15		Community College,		
16		Dellwood Hall Remodel and		
17		Expansion.....	\$	2,805,000
18	(r)	Treasure Valley Community		
19		College, Workforce		
20		Vocational Center.....	\$	2,865,000
21	(s)	Umpqua Community College,		
22		Industrial Technology		
23		Building.....	\$	8,140,000
24	(2)	Department of Environmental		
25		Quality (Art. XI-H).....	\$	10,300,000
26	(3)	Oregon Business Development		
27		Department (Art. XI-M).....	\$	101,180,000
28	(4)	Oregon Business Development		
29		Department (Art. XI-N).....	\$	20,430,000
30	(5)	Department of Education		
31		(Art. XI-P).....	\$	100,985,000
32	(6)	Oregon Department of		
33		Administrative		
34		Services (Art. XI-Q):		
35	(a)	Department of Corrections:		
36	(A)	Capital Improvements and		
37		Renewal.....	\$	26,770,000
38	(B)	Technology Infrastructure .....	\$	12,445,000
39	(b)	Department of Education,		
40		Oregon School for the Deaf		
41		Facility Improvements .....	\$	4,365,000
42	(c)	Department of Environmental		
43		Quality, Environmental Data		
44		Management System.....	\$	5,070,000
45	(d)	Department of Human		

1	Services, ONE Integrated		
2	Eligibility and Medicaid		
3	Eligibility System .....	\$	34,045,000
4	(e) Department of Justice,		
5	Child Support Enforcement		
6	Automated System .....	\$	19,400,000
7	(f) Department of Revenue,		
8	Core Tax Revenue Systems		
9	Replacement .....	\$	4,855,000
10	(g) Department of Veterans'		
11	Affairs:		
12	(A) Lebanon Veteran's Home		
13	Parking Lot .....	\$	1,345,000
14	(B) The Dalles Veterans' Home		
15	Capital Improvements .....	\$	1,195,000
16	(C) Roseburg Veterans' Home.....	\$	10,720,000
17	(h) Housing and Community		
18	Services Department, Local		
19	Innovation and Fast Track		
20	Housing Program .....	\$	81,090,000
21	(i) Higher Education		
22	Coordinating Commission:		
23	(A) Public Universities Capital		
24	Improvement and Renewal.....	\$	50,620,000
25	(B) Eastern Oregon University,		
26	Loso Hall Renovation .....	\$	5,575,000
27	(C) Oregon Institute of		
28	Technology:		
29	(i) Center for Excellence in		
30	Engineering and Technology/		
31	Cornett Hall Renovation.....	\$	38,475,000
32	(ii) Oregon Manufacturing		
33	Innovation Center, Research		
34	and Development Facility .....	\$	3,940,000
35	(D) Oregon State University:		
36	(i) Cordley Hall Renovation.....	\$	15,250,000
37	(ii) Fairbanks Hall Renovation.....	\$	11,220,000
38	(iii) Gilkey Hall Renovation .....	\$	1,045,000
39	(iv) Cascades Expansion Site		
40	Reclamation.....	\$	9,145,000
41	(v) Cascades Academic		
42	Building 2.....	\$	29,410,000
43	(E) Portland State University,		
44	Graduate School of		
45	Education Facility .....	\$	9,145,000

1	(F) Southern Oregon		
2	University:		
3	(i) Central Hall Capital		
4	Improvements .....	\$	6,125,000
5	(ii) Boiler Replacement.....	\$	2,855,000
6	(G) Western Oregon University:		
7	(i) Information Technology		
8	Center Renovation .....	\$	5,070,000
9	(ii) Oregon Military Building		
10	Renovation .....	\$	7,335,000
11	(j) Legislative Administration		
12	Committee, Capitol		
13	Accessibility, Maintenance,		
14	and Safety .....	\$	23,660,000
15	(k) Oregon Judicial Department:		
16	(A) Lane County Courthouse .....	\$	5,115,000
17	(B) Multnomah County		
18	Courthouse.....	\$	102,495,000
19	(C) Oregon Supreme Court		
20	Building Renovation .....	\$	6,125,000
21	(L) Oregon Military Department:		
22	(A) Grants Pass Armory		
23	Service Life Extension.....	\$	3,330,000
24	(B) Regional Armory Emergency		
25	Enhancement Project .....	\$	8,675,000
26	(C) Regional Training Institute .....	\$	6,630,000
27	(D) Resiliency Grant Fund.....	\$	5,070,000
28	(E) Youth Challenge Armory .....	\$	5,095,000
29	(m) Oregon Youth Authority:		
30	(A) Capital Improvements .....	\$	17,450,000
31	(B) MacLaren West Cottages		
32	Renovation .....	\$	15,450,000
33	(C) Rogue Valley Facility		
34	Improvements .....	\$	7,095,000
35	(n) State Department of Fish		
36	and Wildlife .....	\$	10,215,000
37	(o) State Forestry Department,		
38	Toledo Facility Replacement.....	\$	774,225
39	<u>Dedicated Fund Obligations</u>		
40	(7) Department of Veterans'		
41	Affairs (Art. XI-A).....	\$	120,000,000
42	(8) Higher Education Coordinating		
43	Commission (Art. XI-F(1)):		
44	(a) Portland State University:		
45	(A) Land Acquisition for		

1	University Center Building.....	\$	15,260,000
2	(B) 12th & Market		
3	Residence Hall.....	\$	54,225,000
4	(C) Graduate School of		
5	Education Facility .....	\$	6,080,000
6	(D) Corbett Building Purchase.....	\$	5,100,000
7	(b) Oregon Institute of		
8	Technology, Student		
9	Recreation Center.....	\$	5,115,000
10	(c) Eastern Oregon University,		
11	Track and Field Facilities		
12	Restoration .....	\$	1,180,000
13	(d) Western Oregon University,		
14	Natural Sciences Building		
15	Renovation.....	\$	3,560,000
16	(9) Department of Environmental		
17	Quality (Art. XI-H).....	\$	10,000,000
18	(10) Housing and Community		
19	Services Department		
20	(Art. XI-I(2)).....	\$	25,000,000
21	(11) Oregon Department of		
22	Administrative Services		
23	(Art. XI-Q):		
24	(a) Portland State Office		
25	Building Improvements .....	\$	13,360,000
26	(b) State Forestry Department,		
27	Toledo Facility Replacement.....	\$	1,075,775
28	<u>Total General Obligation</u>		
29	<u>[Bonds].....</u>	\$	1,341,615,000]
30	<b><u>Bonds</u> .....</b>	<b>\$</b>	<b>1,335,570,000</b>

31 **SECTION 8.** Section 2, chapter 570, Oregon Laws 2017, as amended by section 2, chapter 87,  
32 Oregon Laws 2018, is amended to read:

33 **Sec. 2.** The amounts authorized, as provided by ORS 286A.035, for issuance of revenue bonds  
34 of the state during the 2017-2019 biennium are as follows:

35			
36	<b>REVENUE BONDS</b>		
37	<u>Direct Revenue Bonds</u>		
38	Housing and Community		
39	Services Department .....	\$	400,000,000
40	Oregon Business Development		
41	Department.....	\$	30,000,000
42	Oregon Department of		
43	Administrative Services,		
44	<u>[Lottery Revenue Bonds .....</u>	\$	221,025,000]
45	<b>Lottery Revenue Bonds .....</b>	<b>\$</b>	<b>217,670,000</b>



1	<u>Total Direct Revenue</u>	
2	[Bonds.....]	\$ 651,025,000]
3	<b>Bonds .....</b>	<b>\$ 647,670,000</b>
4	<u>Pass-Through Revenue Bonds</u>	
5	Oregon Business Development	
6	Department, Industrial	
7	Development Bonds .....	\$ 400,000,000
8	Oregon Business Development	
9	Department, Beginning and	
10	Expanding Farmer Loan	
11	Program.....	\$ 10,000,000
12	Oregon Facilities Authority .....	\$ 1,350,000,000
13	Housing and Community	
14	Services Department .....	\$ 600,000,000
15	<u>Total Pass-Through Revenue</u>	
16	Bonds .....	\$ 2,360,000,000
17	[Total Revenue Bonds.....]	\$ 3,011,025,000]
18	<b>Total Revenue Bonds .....</b>	<b>\$ 3,007,670,000</b>

19 **SECTION 9. Section 10, chapter 748, Oregon Laws 2017, is repealed.**

20 **SECTION 10.** ORS 274.064 is amended to read:

21 274.064. (1) The Portland Harbor Cleanup Fund is established in the State Treasury, separate  
 22 and distinct from the General Fund. **Interest earned by the Portland Harbor Cleanup Fund must**  
 23 **be credited to the fund.** The Portland Harbor Cleanup Fund consists of **all** moneys [*deposited in*  
 24 *the fund under section 10, chapter 748, Oregon Laws 2017,*] **credited to the fund** and may include  
 25 moneys appropriated, allocated, deposited or transferred to the fund by the Legislative Assembly or  
 26 otherwise and interest earned on moneys in the fund.

27 (2) Moneys in the fund are continuously appropriated to the Department of State Lands for  
 28 [*disbursement for the purposes set forth in section 10, chapter 748, Oregon Laws 2017*] **costs relating**  
 29 **to or arising out of the Portland Harbor Superfund Site.**

30 (3) Nothing in this section or [*section 10, chapter 748, Oregon Laws 2017,*] **any other law that**  
 31 **appropriates, allocates, deposits or transfers moneys to the fund** waives or limits the  
 32 department's ability to recover, by way of insurance, cost recovery, contribution, or claim or action  
 33 relating to or arising out of the Portland Harbor Superfund Site, moneys from other parties, in-  
 34 cluding claims for costs incurred by the department. In no event shall anything in this section or  
 35 [*section 10, chapter 748, Oregon Laws 2017,*] **any other law that appropriates, allocates, deposits**  
 36 **or transfers moneys to the fund** be construed as a waiver by the State of Oregon of any form of  
 37 defense or immunity, whether sovereign immunity, governmental immunity, immunity based on the  
 38 Eleventh Amendment to the United States Constitution or otherwise.

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

42