

# Senate Bill 616

Sponsored by Senator GIROD

## 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**.

Provides that State Treasurer may not recommend prudent maximum amount of lottery bonds that would cause combined existing and proposed lottery bond debt service to exceed 25 percent of unobligated net lottery proceeds.

## A BILL FOR AN ACT

1  
2 Relating to debt service on lottery bonds; creating new provisions; and amending ORS 286A.035.

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

4 **SECTION 1.** ORS 286A.035 is amended to read:

5 286A.035. (1) Each related agency shall report the plans of the related agency for the issuance  
6 of bonds during the next biennium. The related agency shall submit the related agency's report to  
7 the Governor by a date determined by the Governor and shall include in the report a description  
8 of bonds that the related agency intends to retire or defease during the next biennium.

9 (2)(a) On or before a date determined by the Governor, the State Treasurer shall advise the  
10 Governor on the prudent maximum amount of bonds to be issued for each bond program. The State  
11 Treasurer shall consider available economic and financial data in preparing advice to be given to  
12 the Governor.

13 **(b) The State Treasurer may not recommend a prudent maximum amount of lottery**  
14 **bonds, as defined in ORS 286A.560, that would cause combined existing and proposed lottery**  
15 **bond debt service to exceed 25 percent of unobligated net lottery proceeds.**

16 (3) As part of the Governor's budget described in ORS 291.216, the Governor shall:

17 (a) Consider the prudent maximum amounts advised by the State Treasurer pursuant to sub-  
18 section (2) of this section to determine the Governor's total recommended amount; and

19 (b) Recommend to the Legislative Assembly the total amount of bonds the State Treasurer may  
20 issue for each bond program for a biennium.

21 (4) The Legislative Assembly shall determine the amount of bonds the State Treasurer may issue  
22 for each state agency for a biennium. If the Legislative Assembly fails to make the determination  
23 described in this subsection by the first day of the biennium, the unused portion of the authorization  
24 the Legislative Assembly made for the preceding biennium is deemed to carry forward for the cur-  
25 rent biennium at the amount authorized for the preceding biennium until the earlier of:

26 (a) The date on which legislation authorizing the amount of bonds for the current biennium is  
27 enacted; or

28 (b) The date on which the Legislative Assembly adjourns sine die.

29 (5) The amount of bonds that may be issued under bond programs may be modified by the Gov-  
30 ernor. However, the Governor may not modify the amount of bonds that may be issued under bond  
31 programs in a way that would cause the maximum amount established by the Legislative Assembly

**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 for a category of bond programs to be exceeded if the Legislative Assembly:

2 (a) Has categorized the bonds that may be issued under bond programs as general obligation,  
3 direct revenue and pass-through revenue bonds; and

4 (b) Assigned a maximum amount to each category.

5 (6) This section applies to bonds:

6 (a) Unless the bonds are expressly exempted from the requirements of this section.

7 (b) Except refunding bonds.

8 **SECTION 2. The amendments to ORS 286A.035 by section 1 of this 2019 Act apply to ad-**  
9 **vice relating to biennia beginning on or after July 1, 2021.**

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