

FISCAL IMPACT OF PROPOSED LEGISLATION

Measure: HB 5030-1

82nd Oregon Legislative Assembly – 2023 Regular Session

Legislative Fiscal Office

Only Impacts on Original or Engrossed Versions are Considered Official

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Measure Description:

Authorizes the issuance of lottery revenue bonds for the 2023-25 biennium.

Government Unit(s) Affected:

Department of Administrative Services, Water Resources Department, Bonding, Department of Education, Department of Fish and Wildlife, Department of Transportation, Housing and Community Services Department, Oregon Health Authority, Oregon Watershed Enhancement Board, Parks and Recreation Department, Oregon Business Development Department

Summary of Fiscal Impact:

Costs related to the measure may require budgetary action - See analysis.

Summary of Expenditure Impact:

See Analysis.

Analysis: House Bill 5030 authorizes the issuance of lottery revenue bonds for specified projects.

A total of \$453,025,000 of net lottery bond proceeds are authorized in the 2023-25 biennium to be spent on 37 projects funded in the following state agencies:

- Department of Administrative Services - \$63,950,000
- Department of Education - \$15,000,000
- Oregon Department of Fish and Wildlife - \$13,750,000
- Department of Transportation - \$45,000,000
- Housing and Community Services Department - \$50,000,000
- Oregon Business Development Department - \$136,325,000
- Oregon Health Authority - \$50,000,000
- Oregon Watershed Enhancement Board - \$4,000,000
- Parks and Recreation Department - \$10,000,000
- Water Resources Department - \$65,000,000

Bond costs of issuance are estimated to be \$5,314,062. Amounts issued for deposit into debt service reserve accounts are estimated to total \$42,760,939. HB 5005 establishes statutory lottery revenue bond authority of \$501,100,000 to allow for the issuance of lottery revenue bonds in HB 5030; generating proceeds for project costs, costs of issuance, and debt service reserves as detailed above. Other Funds limitation to expend bond proceeds for project costs and pay for the cost of issuing bonds is included in the budget reconciliation bill (SB 5506).

Lottery Funds debt service is estimated to be \$13,051,334 in the 2023-25 biennium, which supports a lottery bond issuance totaling \$150,270,000 in the spring of 2024. Remaining lottery bonds of \$350,830,000 are scheduled to be sold in the spring of 2025, with related debt service payments beginning in the 2025-27 biennium. Total Lottery Funds debt service is estimated to be \$85,245,288 in the 2025-27 biennium and

\$851,851,503 over the life of the bonds.

The measure also authorizes issuance of \$20 million in net proceeds in the 2025-27 biennium for the Coos Bay Channel Modification project funded in the Oregon Business Development Department.