A-Engrossed

House Bill 5005

Ordered by the House June 21
Including House Amendments dated June 21

Introduced and printed pursuant to House Concurrent Resolution 23 (2023) (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.

Establishes amounts authorized for issuance of general obligation bonds, revenue bonds, certificates of participation and other financing agreements for biennium.
Establishes amounts allocated for private activity bonds.
Authorizes general obligation bonding for Interstate 5 bridge replacement project for future biennia.
Makes legislative findings regarding benefits to higher education institutions and community colleges from issuance of bonds under Article XI-F(1) and Article XI-G of Oregon Constitution.
Requires constructing authority to make certain certifications before issuance of bonds under Article XI-G of Oregon Constitution.
Establishes requirements applicable to certain contracts for specified higher education capital construction projects.
Declares emergency, effective July 1, 2023.

A BILL FOR AN ACT

Relating to state financial administration; and declaring an emergency.

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

SECTION 1. The amounts authorized, as provided by ORS 286A.035, for issuance of general obligation bonds of the state during the 2023-2025 biennium are as follows:

GENERAL OBLIGATION BONDS
General Fund Obligations
(1) Higher Education Coordinating Commission (Art. XI-G):
(a) Chemeketa Community College, Building 7 Remodel ... $ 8,110,000
(b) Klamath Community College, Childcare Resource Learning Center......................... $ 1,535,000
(c) Rogue Community College, Transportation Technology Center................................. $ 7,105,000
(d) Central Oregon Community College, Renovation and Expansion of CTE Facilities

Note: For budget, see 2023-2025 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.

LC 9005
at Redmond Campus ................ $ 4,050,000
(e) Clatsop Community College,
Maritime Science Building........ $ 8,010,000
(f) Oregon Coast Community
College, Center for Trades
Education.......................... $ 8,110,000
(g) Columbia Gorge Community
College, Campus Renovations
for Student Safety and
Success ................................ $ 5,595,000
(h) Lane Community College,
Science, Mathematics and
Engineering Building
Renovation.......................... $ 8,110,000
(i) Portland Community College,
Rock Creek Campus Building
Complex - Phase I ............... $ 8,110,000
(j) Southwestern Oregon Community
College, Student Uplift and
Collaboration Create Expanded
Support and Success............. $ 8,110,000
(k) Umpqua Community College,
Welcome Center and Medical
Careers Training Hub........... $ 8,110,000
(L) University of Oregon,
Friendly Hall Renovation........ $ 7,650,000
(m) Oregon State University,
Collaborative Innovation
Complex............................ $ 72,680,000
(n) Portland State University,
Vernier Science Center and
Gateway Art and Design
Project Completions............ $ 4,330,000
(2) Department of Environmental
Quality (Art. XI-H).............. $ 10,333,333
(3) Oregon Business Development
Department (Art. XI-M)......... $ 100,885,000
(4) Oregon Business Development
Department (Art. XI-N)........ $ 50,570,000
(5) Department of Education
(Art. XI-P)....................... $ 100,885,000
(6) Oregon Department of
Administrative
Services (Art. XI-Q):
(a) Oregon Military Department:
(A) Salem Owen Summers Building
Service Life Extension ........... $ 2,955,000

(B) Salem Owen Summers Building
Seismic Strengthening and Life Safety Improvements ...... $ 5,595,000

(b) Department of State Police:
(A) Central Point Office Expansion ...................... $ 26,845,000

(B) Springfield Forensic Lab and Medical Examiner's Office ...... $ 21,545,000

(C) Springfield Patrol Area
Command Office ................. $ 7,385,000

(e) Department of Corrections:
(A) Camera System ....................... $ 8,615,000

(B) Capital Improvement and Renewal ..................... $ 50,570,000

(C) Wireless Communication System .......................... $ 13,070,000

(d) Oregon Youth Authority:
(A) Camp Riverbend Dorm Renovation ...................... $ 5,455,000

(B) Capital Improvements -
All Facilities ........................ $ 11,795,000

(C) Control Room Renovations ..... $ 330,000

(D) JJIS IT System Modernization ..................... $ 7,850,000

(E) MacLaren West Cottages
Renovations ......................... $ 11,425,000

(F) Rogue Valley Facility
Improvements .......................... $ 1,509,910

(G) Tillamook Dorm Renovation ... $ 8,420,000

(e) Department of Education,
Oregon School for the Deaf
Capital Improvements .......... $ 3,550,000

(f) State Forestry Department:
(A) Capital Improvements ............. $ 2,461,687

(B) Toledo Facility Replacement,
Phase II ............................... $ 1,134,135

(C) Multi-Mission Aircraft .......... $ 7,444,980

(D) Salem Airport Hangar .......... $ 1,248,480

(g) State Department of Fish
and Wildlife, Capital
Improvement and Renewal ..... $ 2,540,000

(h) Housing and Community Services Department, Local
Innovation and Fast Track
(LIFT)/Permanent Supportive Housing Programs $ 604,280,000

(i) Higher Education Coordinating Commission:

(A) Public Universities Capital Improvement and Renewal $ 100,885,000

(B) FAMIS System Replacement, Phase II $ 5,095,000

(C) University of Oregon, Friendly Hall Renovation $ 65,840,000

(D) Portland State University, Vernier Science Center and Gateway Art and Design Project Completions $ 53,175,000

(E) Oregon Institute of Technology, Geothermal System Emergency Renovation $ 18,160,000

(j) Oregon Health Authority:

(A) Junction City Single Unit Remodel $ 5,095,000

(B) PLC System Replacement $ 3,045,000

(k) Department of Revenue, Electronic Valuation Information System $ 14,265,000

(L) Legislative Administration Committee, Capitol Accessibility, Maintenance and Safety Phase III $ 216,920,000

(m) Judicial Department:

(A) Benton County Courthouse $ 8,950,000

(B) Clackamas County Courthouse $ 30,365,000

(C) Morrow County Courthouse $ 12,745,000

(D) Curry County Courthouse $ 10,760,000

(7) Department of Transportation (Art. XI, section 7), Interstate 5 Bridge Replacement Project $ 251,825,000

Dedicated Fund Obligations

(8) Department of Veterans' Affairs (Art. XI-A) $ 109,023,670

(9) Higher Education Coordinating Commission (Art. XI-F(1)):

(a) Portland State University,
Smith Memorial Union ..........  $ 8,315,000
(b) Portland State University,
   Vernier Science Center and
   Gateway Art and Design Project
   Completions .......................  $ 16,190,000
(10) Department of Environmental
   Quality (Art. XI-H) ...............  $ 20,000,000
(11) Housing and Community
   Services Department
   (Art. XI-I(2)) .....................  $ 50,000,000
(12) Oregon Department of
   Administrative Services
   (Art. XI-Q):
   (a) Yellow Parking Lot Paving.....  $ 4,050,000
   (b) State Forestry Department:
       (A) Capital Improvements ........  $ 2,418,313
       (B) Toledo Facility Replacement,
           Phase II ........................  $ 1,575,865
       (C) Multi-Mission Aircraft........  $ 4,720,020
       (D) Salem Airport Hangar ........  $ 791,520
   (c) Department of Justice,
       Legal Tools Replacement
       System 3.0 ........................ $ 21,520,000
   (d) Oregon Liquor and Cannabis
       Commission:
       (A) Liquor Warehouse Conveyor
           System ........................ $ 15,185,000
       (B) Liquor Warehouse Land
           and Building ........................ $ 55,515,000
       (C) Liquor Warehouse
           Management IT System........... $ 16,695,000
Total General Obligation
   Bonds .............................. $2,351,436,913

SECTION 2. The amounts authorized, as provided by ORS 286A.035, for issuance of re-

venue bonds of the state during the 2023-2025 biennium are as follows:

REVENUE BONDS
Direct Revenue Bonds
   Housing and Community
   Services Department ..........  $ 500,000,000
   Department of Transportation,
   Highway User Tax ..............  $ 360,000,000
   Department of Transportation,
   Grant Anticipation Revenue
   Vehicle ..........................  $ 300,000,000
Oregon Business Development
Department........................ $ 30,000,000
Oregon Department of
Administrative Services,
Lottery Revenue Bonds ....... $ 501,100,000

Total Direct Revenue
Bonds .................................. $ 1,691,100,000

Pass-Through Revenue Bonds
Oregon Business Development
Department, Industrial
Development Bonds............. $ 600,000,000
Oregon Business Development
Department, Beginning and
Expanding Farmer Loan
Program............................... $ 2,000,000
Oregon Facilities Authority.. $ 1,000,000,000
Housing and Community
Services Department .......... $ 1,300,000,000

Total Pass-Through Revenue
Bonds .................................. $ 2,902,000,000

Total Revenue Bonds ............. $ 4,593,100,000

SECTION 3. The amount authorized, as provided by ORS 286A.035, for issuance of cer-
tificates of participation and other financing agreements of the state during the 2023-2025
biennium for the Oregon Department of Administrative Services is $100,000,000.

SECTION 4. (1) For calendar year 2024, the amount of $509,538,600 is allocated for private
activity bonds, as provided in ORS 286A.615, as follows:

(a) Oregon Business Development
    Department, Beginning and
    Expanding Farmer Loan
    Program............................... $ 1,000,000

(b) Housing and Community
    Services Department............... $450,000,000

(c) Private Activity Bond
    Committee............................. $ 58,538,600

(2) For calendar year 2025, the amount of $509,538,600 is allocated for private activity
bonds, as provided in ORS 286A.615, as follows:

(a) Oregon Business Development
    Department, Beginning and
    Expanding Farmer Loan
    Program............................... $ 1,000,000

(b) Housing and Community
    Services Department............... $450,000,000

(c) Private Activity Bond
    Committee............................. $ 58,538,600

(3) If an increase in this state's population, a sufficient increase in the Consumer Price
Index or a change in federal law allows the private activity bond limit as set by the Internal Revenue Code of 1986, as amended, to exceed $509,538,600 during the 2024 calendar year or $509,538,600 during the 2025 calendar year, the increase is allocated to the Private Activity Bond Committee.

SECTION 5. In addition to and not in lieu of any authorization to issue general obligation bonds under ORS 286A.035, in the biennium beginning July 1, 2025, at the request of the Department of Transportation, the State Treasurer may issue general obligation bonds authorized under Article XI, section 7, of the Oregon Constitution, in an amount that produces $250,000,000 of net proceeds for the Interstate 5 bridge replacement project, plus an amount estimated by the State Treasurer to pay bond-related costs.

SECTION 6. In addition to and not in lieu of any authorization to issue general obligation bonds under ORS 286A.035, in the biennium beginning July 1, 2027, at the request of the Department of Transportation, the State Treasurer may issue general obligation bonds authorized under Article XI, section 7, of the Oregon Constitution, in an amount that produces $250,000,000 of net proceeds for the Interstate 5 bridge replacement project, plus an amount estimated by the State Treasurer to pay bond-related costs.

SECTION 7. In addition to and not in lieu of any authorization to issue general obligation bonds under ORS 286A.035, in the biennium beginning July 1, 2029, at the request of the Department of Transportation, the State Treasurer may issue general obligation bonds authorized under Article XI, section 7, of the Oregon Constitution, in an amount that produces $250,000,000 of net proceeds for the Interstate 5 bridge replacement project, plus an amount estimated by the State Treasurer to pay bond-related costs.

SECTION 8. (1) For purposes of Article XI-F(1), section 1, of the Oregon Constitution, the Legislative Assembly determines that the projects authorized to be financed pursuant to section 1 (9) of this 2023 Act with bonds issued under Article XI-F(1) of the Oregon Constitution will benefit higher education institutions or activities.

(2) For purposes of Article XI-G, section 1, of the Oregon Constitution, the Legislative Assembly determines that the projects authorized to be financed pursuant to section 1 (1) of this 2023 Act with bonds issued under Article XI-G of the Oregon Constitution will benefit higher education institutions or activities or community colleges authorized by law to receive state aid.

SECTION 9. Bonds authorized pursuant to Article XI-G of the Oregon Constitution under section 1 (1) of this 2023 Act for the benefit of a constructing authority may not be issued until the constructing authority certifies that the constructing authority has matching funds available for the same or similar purposes as the bonds, that the matching funds are not proceeds of indebtedness incurred by the state under any other article of the Oregon Constitution, and that the matching funds are available to the constructing authority in an amount at least equal to the amount of indebtedness incurred by the state through the issuance of the bonds.

SECTION 10. (1) Out of the amount specified in section 1 (6)(m)(A) of this 2023 Act, the State Treasurer may issue Article XI-Q bonds in an amount not to exceed $8,831,894 of net proceeds for the purposes and in the manner specified in section 8, chapter 705, Oregon Laws 2013, plus an amount estimated by the State Treasurer to pay estimated bond-related costs.

(2) Out of the amount specified in section 1 (6)(m)(B) of this 2023 Act, the State Treasurer may issue Article XI-Q bonds in an amount not to exceed $30,000,000 of net proceeds for
the purposes and in the manner specified in section 8, chapter 705, Oregon Laws 2013, plus
an amount estimated by the State Treasurer to pay estimated bond-related costs.

(3) Out of the amount specified in section 1 (6)(m)(C) of this 2023 Act, the State Treas-
urer may issue Article XI-Q bonds in an amount not to exceed $12,575,000 of net proceeds for
the purposes and in the manner specified in section 8, chapter 705, Oregon Laws 2013, plus
an amount estimated by the State Treasurer to pay estimated bond-related costs.

(4) Out of the amount specified in section 1 (6)(m)(D) of this 2023 Act, the State Treas-
urer may issue Article XI-Q bonds in an amount not to exceed $10,600,000 of net proceeds for
the purposes and in the manner specified in section 8, chapter 705, Oregon Laws 2013, plus
an amount estimated by the State Treasurer to pay estimated bond-related costs.

(5) For purposes of sections 8 and 9, chapter 705, Oregon Laws 2013, and section 64,
chapter 723, Oregon Laws 2013, bonds issued pursuant to this section are considered to be
bonds issued pursuant to section 8, chapter 705, Oregon Laws 2013.

(6) Bonds may not be issued pursuant to section 1 (6)(m)(A), (B), (C) or (D) of this 2023
Act except as provided in this section.

SECTION 11. (1) A public university that is carrying out a qualified project shall require
each contractor in a contract with an estimated cost of $200,000 or greater 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, mi-
nority individuals and veterans to perform work under the contract, with the aspirational
target of having at least 15 percent of total work hours performed by individuals in one or
more of those groups;
(c) Provide health insurance and retirement benefits to workers; and
(d) Require any subcontractor engaged by the contractor to abide by the requirements
set forth in paragraphs (a), (b) and (c) of this subsection, if the work to be performed under
the subcontract has an estimated cost of $200,000 or greater.
(2) On or before February 1 of each year, each public university that is carrying out a
qualified project shall report to the Joint Committee on Ways and Means or Joint Interim
Committee on Ways and Means, as part of the report required under ORS 350.379, on:
(a) The amount of work performed on qualified projects by apprentices;
(b) The amount of work performed on qualified projects by women, minority individuals
and veterans; and
(c) The types and costs of health insurance and retirement benefits provided to workers
by contractors and subcontractors.
(3) The requirements of this section are in addition to, and not in lieu of, the require-
ments imposed under ORS 350.379.
(4) As used in this section:
(a) “Apprentice” has the meaning given that term in ORS 660.010.
(b) “Apprenticeable occupation” has the meaning given that term in ORS 660.010.
(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, recruit-
ing, selecting, employing and training apprentices in an apprenticeable occupation.
(d) “Minority individual” has the meaning given that term in ORS 200.005.

(e) “Qualified project” means the following capital construction projects:

(A) The University of Oregon Friendly Hall renovation referenced in section 1 (1)(L) of this 2023 Act;

(B) The Oregon State University Collaborative Innovation Complex referenced in section 1 (1)(m) of this 2023 Act;

(C) The Portland State University Vernier Science Center and Gateway Art and Design project completions referenced in section 1 (1)(n) of this 2023 Act; and

(D) The Oregon Institute of Technology geothermal system emergency renovation referenced in section 1 (6)(i)(E) of this 2023 Act.

(f) “Veteran” has the meaning given that term in ORS 408.225.

(g) “Woman” has the meaning given that term in ORS 200.005.

SECTION 12. This 2023 Act being necessary for the immediate preservation of the public peace, health and safety, an emergency is declared to exist, and this 2023 Act takes effect July 1, 2023.