

SUBCOMMITTEE RECOMMENDATION

SB 5701

Bond Authorization

To: Ways and Means Full Committee
From: Capital Construction Subcommittee
Carrier: Senator Girod

SB 5701 limits the maximum amount of bonds and third-party financing agreements that state agencies may issue, as well as the amount of revenue that state agencies may raise from such issuance. The proceeds from the issuance of bonds are included as revenues in agency budgets. The Capital Construction Subcommittee recommendations include the following:

- \$45.7 million of Article Eleven-G and Article Eleven-Q bonds to finance two public university projects, as well as a shift in the type of general obligation bonds authorized for a previously approved public university project.
- \$3 million decrease in Article Eleven-G bonds to reflect a requested project change for one community college project.
- \$15.2 million of Article Eleven-F bonds to finance one public university project that will be supported with university revenues.
- \$100.9 million of Article Eleven-Q bonds for the Local Innovation and Fast Track Affordable Rental Housing Program and Housing Opportunity, Longevity, and Durability Fund for affordable housing preservation.
- \$2.1 million of Article Eleven-Q bonds to finance state park acquisitions.
- \$367.6 million of either Article Eleven-Q bonds or certificates of participation to finance capital improvements to the Moda Center and

surrounding plaza areas over two biennia, contingent on satisfying the requirements listed in SB 1501.

- \$84.6 million of lottery revenue bonds to support 24 projects, modify one previously authorized project, and repeal one project that is no longer moving forward due to insufficient matching funds.

A detailed list of project amounts and descriptions is included in the budget report. The budget report also includes scope changes for previously approved projects. The majority of bonds are expected to be sold in spring 2027, so there will be minimal debt service payments in the 2025-27 biennium. Debt service on the additional bonding is estimated to be \$100.7 million General Fund and \$14.7 million Lottery Funds in the 2027-29 biennium.

The Capital Construction Subcommittee recommends SB 5701 be amended by the –2 amendment and be reported out do pass, as amended.