

**75th OREGON LEGISLATIVE ASSEMBLY – 2009 Regular Session
BUDGET REPORT AND MEASURE SUMMARY**

JOINT COMMITTEE ON WAYS AND MEANS

MEASURE: SB 5562-A

**Carrier – House: Rep. Galizio
Carriers – Senate: Sen. Carter/
Sen. Winters**

Action: Do Pass as Amended and Be Printed A-Engrossed

Vote: 17 – 4 – 1

- House – Yeas: Buckley, D. Edwards, Galizio, Garrard, Jenson, Komp, Kotek, Nathanson, Shields, G. Smith
- Nays: Gilman, Richardson
- Exc:
- Senate – Yeas: Carter, Johnson, Monroe, Nelson, Verger, Walker, Winters
- Nays: Girod, Whitsett
- Exc: Bates

Prepared By: Jack Kenny, Department of Administrative Services

Reviewed By: Daron Hill, Legislative Fiscal Office

Meeting Date: January 23, 2009

Agency
Various

Budget Page

LFO Analysis Page

Biennium
2007- 09

Summary of Subcommittee Action

Senate Bill 5562 establishes additional amounts of authority for state agencies to issue bonds and Certificates of Participation (COP's) and the amount of revenue state agencies may raise from such issuance in the 2007-09 biennium for the economic stimulus projects that are included in Senate Bill 338. The proceeds from the issuance of bonds and COP's will be included as revenues in agency budgets.

The Committee provided authority in Senate Bill 5562 for the following purposes:

- 1) The Committee approved an increase of \$12,000,000 in the Department of Higher Education, Article XI-F (1) general obligation bond authorization for the construction of a Health and Wellness Center at Western Oregon University approved in Senate Bill 338.
- 2) The Committee approved an increase of \$4,444,000 to the Department of Higher Education, Article XI-G general obligation bond authorization; \$3,000,000 for a classroom and office building at Western Oregon University and \$1,444,000 for renovation of Owens Hall at the Oregon Institute of Technology. Both projects were approved in Senate Bill 338. The Committee reduced the Article XI-G general obligation bond authorization for Portland State University's Science Research and Teaching Center by \$2.5 million.
- 3) The Committee approved an increase of \$91,550,000 in the Department of Administrative Services authority to issue and approve Certificates of Participation and Other Financing Agreements. This increase will provide \$89,901,704 to finance deferred maintenance and infrastructure projects approved in Senate Bill 338 plus \$1,648,295 cost of issuance for the following agencies: Department of Transportation (\$4,458,144), Department of Forestry (\$2,666,808), Parks and Recreation Department (\$884,846), Department of State Lands (\$468,388), Judicial Department (\$422,567), Military Department (\$4,437,481), Oregon Youth Authority (\$9,394,095), Department of Administrative Services (\$3,054,167), Department of Corrections (\$6,806,900), Department of Fish and Wildlife (\$2,607,699), Department of Higher Education (\$53,294,905). In addition, this increased authority provides \$3,054,000 for construction of a classroom and office building at Western Oregon University approved in Senate Bill 338.
- 4) The Committee approved an increase of \$49,115,000 in the Department of Administrative Services' authority to issue Lottery Bonds. This increase provides funding for deferred maintenance and infrastructure projects at 17 community colleges throughout the state.
- 5) The Committee approved an increase of \$9,703,750 to the Department of Community College and Workforce Development, Article XI-G general obligation bonds for construction and renovation projects at Chemeketa Community College (\$5,082,500), Clackamas Community College (\$1,293,750) and Portland Community College (\$3,327,500).
- 6) The Committee approved an increase of \$16,020,000 to the Department of Energy, Article XI-J general obligation bonds authorization to provide additional funding through its State Energy Loan Program (SELP) for Department of Higher Education Construction projects.

<u>Project</u>	<u>COP Authority</u>
<u>Department of Administrative Services</u>	
Deferred Maintenance	\$ 3,054,167
<u>Department of Corrections</u>	
Deferred Maintenance	\$ 6,806,900
<u>Department of Fish and Wildlife</u>	
Capital Construction/Improvements	\$ 1,344,070
Deferred Maintenance	\$ 1,263,629
Subtotal:	\$ 2,607,699
<u>State Forestry Department</u>	
Sisters Relocation Projects (Phase 2)	\$ 2,036,470
Deferred Maintenance	\$ 630,338
Subtotal:	\$ 2,666,808
<u>Department of Higher Education</u>	
Deferred Maintenance	\$ 18,043,368
Capital Renewal Projects	\$ 35,251,537
Accelerated Capital Projects	\$ 3,054,000
Subtotal:	\$ 56,348,905
<u>Judicial Department</u>	
Deferred Maintenance	\$ 422,567
<u>Oregon Military Department</u>	
Deferred Maintenance	\$ 4,437,481
<u>Oregon Parks and Recreation Department</u>	
Deferred Maintenance	\$ 884,846
<u>Department of State Lands</u>	
Portland Harbor Boundary Survey	\$ 203,647
Deferred Maintenance	\$ 264,741
Subtotal:	\$ 468,388
<u>Department of Transportation</u>	
Deferred Maintenance	\$ 4,432,789
ODOT Rail Station	\$ 25,355
Subtotal:	\$ 4,458,144
<u>Oregon Youth Authority</u>	
Deferred Maintenance	\$ 9,394,095
	\$ 91,550,000

Senate Bill 5562, SECTION 1.

<u>Program Designation</u>	<u>Legislatively Approved Budget 2007-09</u>	<u>2009 Legislative Assembly 2007-09</u>	<u>2009 Legislative Adjustments</u>
<u>GENERAL OBLIGATION BONDS</u> <u>(Constitutional Authority)</u>			
General Fund Obligations			
Department of Higher Education (Art. XI-G)	\$ 135,104,535	\$ 137,048,535	\$ 1,944,000
Department of Community Colleges and Workforce Development (Art. XI-G)	\$ 56,640,500	\$ 66,344,250	\$ 9,703,750
Dedicated Fund Obligations			
Department of Higher Education (Art. XI-F(1))	\$ 609,356,360	\$ 621,356,360	\$ 12,000,000
State Department of Energy (Art. XI-J)	\$ 150,000,000	\$ 166,020,000	\$ 16,020,000
<u>REVENUE BONDS</u>			
Direct Revenue Bonds			
Oregon Department of Administrative Services Lottery Revenue Bonds	\$ 485,725,000	\$ 534,840,000	\$ 49,115,000
<u>CERTIFICATES OF PARTICIPATION AND OTHER FINANCING AGREEMENTS</u>			
Department of Administrative Services	<u>\$ 384,670,000</u>	<u>\$ 476,224,000</u>	<u>\$ 91,550,000</u>