## **REVENUE:** Revenue statement issued **FISCAL:** Fiscal statement issued

Action: Vote:	Do adopt with amendments to the A engrossed bill and be printed engrossed 5-0-0
Yeas: Nays: Exc.:	······································
Prepared By: Meeting Dates:	Steve Meyer, Economist 5/31, 6/14, 6/15

**WHAT THE BILL DOES:** Amends the Oregon Constitution subject to voter approval. Creates new Article XI, Section 11k. Excludes school districts, education service districts and community college districts from certain Measure 50 (1997) restrictions on the use of bond proceeds. Allows these districts to use bond proceeds for classroom furnishings and equipment. Revises definition of capital costs to include assets with a useful life of more than one year and excludes maintenance, repairs and supplies with a useful life of less than a year. Submits the constitutional amendment to the voters at the November 2008 general election.

## **ISSUES DISCUSSED:**

Making final decisions in a conference committee Bond revenue not available for furnishings and equipment Maintaining double majority voting requirement for bonds Competition for state bonding authority Probability of voter approval if submitted

## EFFECT OF COMMITTEE AMENDMENTS: Replaces the bill.

## BACKGROUND:

Bills similar to HJR13A were introduced in the 2001, 2003 and 2005 legislative sessions to address the need for school capital. School districts have traditionally had to rely on local voter approval of bonds for capital requirements. Measure 50 (1997) prohibited the use of bond proceeds for new classroom furnishings and equipment not a part of the structure. The 1997 Legislature added a facility grant to the school equalization formula to help with this cost not payable from bond revenue.