

House Bill 3643

Sponsored by Representative COWAN; Representative GELSNER (Pre-session filed.)

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 **as introduced**.

Limits for six-year period beginning July 1, 2009, payment of expenses from bond proceeds and other revenues, including federal funds, collected or received by Oregon University System for construction of Marine Mammal and Genomics Building by Oregon State University at Hatfield Marine Science Center.

Establishes account related to issuance of general obligation bonds under Article XI-G of Oregon Constitution.

Specifies that capital construction provisions become operative if Oregon State University receives federal grant in specified amount from National Institute of Standards and Technology for building construction.

Becomes operative on day after date Legislative Counsel and Legislative Fiscal Officer receive notice from Oregon Department of Administrative Services of award of federal grant.

Declares emergency, effective on passage.

A BILL FOR AN ACT

Relating to state financial administration; creating new provisions; amending section 2, chapter 788, Oregon Laws 2005, and sections 6, 8, 9, 10 and 13, chapter 904, Oregon Laws 2009; repealing section 19, chapter 904, Oregon Laws 2009; appropriating money; and declaring an emergency.

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

SECTION 1. Section 6, chapter 904, Oregon Laws 2009, is amended to read:

Sec. 6. Notwithstanding any other law limiting expenditures, the following amounts are established for a six-year period beginning July 1, 2009, as the maximum limit for payment of expenses under this section from bond proceeds and other revenues, including federal funds, collected or received by the [*Department of Higher Education*] **Oregon University System**, for the acquisition of land, improvements to land and the acquisition, planning, constructing, altering, repairing, furnishing and equipping of buildings, facilities and other projects within the [*Department of Higher Education*] **Oregon University System**:

	Article	Article	Lottery	Energy	Other	
	XI-G	XI-F(1)			Revenues	
	Bonds	Bonds	Bonds	Loans	(including	Federal
				COPs	Funds)	
(1) Oregon University						
System						
(a) Capital renewal, code						
compliance and safety	\$ -	\$ -	\$ -	\$ -	\$ 20,286,000	\$ -

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.

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1	(b) South Waterfront Life						
2	Sciences Facility	50,000,000	60,000,000	-	-	-	90,000,000
3	(c) Oregon Center for						
4	Sustainability	-	80,000,000	-	-	-	-
5	(d) Biofuels demonstration						
6	project	4,000,000	-	-	-	-	4,000,000
7	(e) Wind demonstration						
8	project	-	-	-	-	-	4,000,000
9	(2) Eastern Oregon						
10	University						
11	(a) Zabel Hall						
12	deferred maintenance	1,522,000	-	2,215,000	2,706,000	-	-
13	(b) Pierce Library						
14	project	4,000,000	-	-	-	4,000,000	-
15	(3) Oregon Institute of						
16	Technology geothermal						
17	renewable energy						
18	demonstration project	2,000,000	2,000,000	-	-	-	2,600,000
19	(4) Oregon State						
20	University						
21	(a) Education Hall						
22	additional structural						
23	deficiencies deferred						
24	maintenance	-	-	4,000,000	-	-	-
25	<i>[(b) Strand Agriculture</i>						
26	<i>Hall deferred</i>						
27	<i>maintenance</i>	<i>6,586,000</i>	<i>-</i>	<i>6,586,000</i>	<i>6,851,000</i>	<i>4,847,000</i>	<i>-]</i>
28	(b) Strand Agriculture						
29	Hall deferred						
30	maintenance		-	4,172,000	6,851,000	4,847,000	-
31	(c) Bates Hall/Hallie Ford						
32	Healthy Children and						
33	Families Center	6,000,000	-	-	-	-	6,000,000
34	(d) Student Success						
35	Center	2,054,000	-	4,554,000	-	-	7,392,000
36	(e) Cultural Center	-	10,000,000	-	-	-	-
37	(f) International Residence						
38	Hall	-	52,000,000	-	-	-	-
39	(g) Sports Performance						
40	Center	-	12,000,000	-	-	-	-
41	(h) CH2M Hill Alumni						
42	Center	-	-	-	-	-	4,200,000
43	(i) Sonpark/EPA acquisition,						
44	OF COPs	-	-	-	-	1,900,000	-
45	(j) Warehouse acquisition,						

1	OF COPs	-	-	-	-	1,000,000	-
2	(k) Marine Mammal and						
3	Genomics Building	6,586,000	-	2,414,000	-	-	13,800,000
4	(5) Portland State						
5	University						
6	(a) Science Research and						
7	Teaching Center/ Hazardous						
8	Waste Facility, phase 2	2,500,000	-	-	-	-	2,500,000
9	(b) City Tower acquisition	-	-	-	-	1	-
10	(c) Market Center						
11	acquisition	-	-	-	-	1	-
12	(d) Land acquisition	-	8,000,000	-	-	-	-
13	(6) Southern Oregon						
14	University						
15	(a) Churchill Hall						
16	deferred maintenance	-	-	-	2,730,000	3,192,000	-
17	(b) Theatre Arts building						
18	expansion and remodel	5,500,000	-	-	-	-	5,500,000
19	(7) University of Oregon						
20	(a) Allen Hall expansion						
21	and remodel	7,500,000	-	-	-	-	7,500,000
22	(b) Straub Memorial Hall						
23	deferred maintenance	-	-	-	8,998,000	4,321,000	-
24	(c) Power Station, phase 2,						
25	waste gasification						
26	demonstration project	-	29,150,000	5,000,000	13,502,000	3,663,000	5,000,000
27	(d) Erb Memorial Union,						
28	partial renovation,						
29	West Lower Level	-	2,260,000	-	-	-	300,000
30	(e) Chiles Center						
31	renovations	-	-	-	-	-	1,000,000
32	(f) Alumni Center Project	-	9,975,000	-	-	-	6,825,000
33	(g) Riverfront Research						
34	Park, Technology						
35	Business Incubator	-	-	-	-	-	1,500,000
36	(h) Barnhart Hall building						
37	envelope restoration	-	-	-	-	-	900,000
38	(i) Carson Hall electrical						
39	upgrade	-	-	-	-	-	560,000
40	(j) Earl Complex building						
41	envelope, electrical and						
42	mechanical systems	-	2,924,000	-	-	-	-
43	(8) Reserves	-	8,508,470	-	-	-	5,356,710
44	(9) Commercial paper						
45	capitalized interest						

1 pilot project - 5,000,000 - - - - -

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3
4 **SECTION 2.** Section 8, chapter 904, Oregon Laws 2009, is amended to read:

5 **Sec. 8. (1) Except as provided in subsection (2) of this section,** notwithstanding any other
6 provision of [*this 2009 Act,*] **chapter 904, Oregon Laws 2009,** the bond proceeds and other revenues,
7 including federal funds, the expenditures from which are limited by section 6 [*of this 2009 Act,*]
8 **chapter 904, Oregon Laws 2009,** are not available for expenditure before [*the effective date of this*
9 *2009 Act*] **August 4, 2009.** However, any action taken by the State Board of Higher Education prior
10 to [*the effective date of this 2009 Act*] **August 4, 2009,** or any contract entered into by the board prior
11 to [*the effective date of this 2009 Act*] **August 4, 2009,** necessary for the acquisition of and improve-
12 ments to land and the acquisition, planning, constructing, altering, repairing, furnishing and equip-
13 ping of buildings and facilities authorized by [*this 2009 Act*] **chapter 904, Oregon Laws 2009,** is
14 hereby authorized.

15 **(2) Notwithstanding any other provision of chapter 904, Oregon Laws 2009, or this 2010**
16 **Act, the bond proceeds and other revenues, including federal funds, the expenditures from**
17 **which are limited by section 6 (4)(k), chapter 904, Oregon Laws 2009, are not available for**
18 **expenditure before the operative date specified in section 9 of this 2010 Act. However, any**
19 **action taken by the State Board of Higher Education prior to the operative date specified in**
20 **section 9 of this 2010 Act or any contract entered into by the board prior to the operative**
21 **date specified in section 9 of this 2010 Act that is necessary for the acquisition of and im-**
22 **provements to land and the acquisition, planning, constructing, altering, repairing, furnish-**
23 **ing and equipping of buildings and facilities authorized by section 6 (4)(k), chapter 904,**
24 **Oregon Laws 2009, is hereby authorized.**

25 **SECTION 3.** Section 9, chapter 904, Oregon Laws 2009, is amended to read:

26 **Sec. 9. (1) Except as provided in subsection (3) of this section,** the project approvals and
27 expenditure limitations in [*this 2009 Act*] **chapter 904, Oregon Laws 2009,** and the expenditure
28 limitations established by the Emergency Board during the biennium beginning July 1, 2009, for
29 capital construction or acquisition projects of the Oregon University System and of the Department
30 of Community Colleges and Workforce Development for community colleges, expire on June 30, 2015,
31 unless otherwise noted or unless changed by the Legislative Assembly.

32 (2) The project approvals and expenditure limitations established by section 2 (5)(b), (e) and (i),
33 chapter 725, Oregon Laws 2003, and section 2 (3)(h), chapter 845, Oregon Laws 2001, for capital
34 construction or acquisition projects of the Oregon University System expire on June 30, 2011, unless
35 otherwise changed by Legislative Assembly.

36 **(3) The project approvals and expenditure limitations in section 6 (4)(b) and (k), chapter**
37 **904, Oregon Laws 2009, and the expenditure limitations established by the Emergency Board**
38 **during the biennium beginning July 1, 2009, for capital construction or acquisition projects**
39 **of the Oregon University System described in section 6 (4)(b) and (k), chapter 904, Oregon**
40 **Laws 2009, expire on June 30, 2015, unless otherwise noted or unless changed by the Legis-**
41 **lative Assembly.**

42 **SECTION 4.** Section 10, chapter 904, Oregon Laws 2009, is amended to read:

43 **Sec. 10. (1)** Pursuant to Article XI-G of the Oregon Constitution and ORS 351.345 and ORS
44 chapter 286A, the State Board of Higher Education may sell, with the approval of the State Treas-
45 urer, general obligation bonds of the State of Oregon of the kind and character and within the limits

1 prescribed by Article XI-G of the Oregon Constitution, as the board determines, but in no event may
 2 the board sell more than the aggregate principal sum of \$144,900,479 par value for the biennium
 3 beginning July 1, 2009. The moneys realized from the sale of the bonds shall be appropriated and
 4 may be expended for the purposes set forth in section 2 (3)(h), chapter 845, Oregon Laws 2001, sec-
 5 tion 2 (6)(h) and (p), chapter 787, Oregon Laws 2005, section 2 (2)(b), (4)(k), (5)(f) and (h)[,] and (6)(g)
 6 and (h), chapter 761, Oregon Laws 2007, section 6 (1)(b) and (d), (2)(a) and (b), (3), [(4)(b), (c) and
 7 (d)] **(4)(c), (d) and (k)**, (5)(a), (6)(b) and (7)(a) [of this 2009 Act], **chapter 904, Oregon Laws 2009**,
 8 and for payment for capitalized interest and costs incidental to issuance of the bonds.

9 (2) In compliance with the requirements of Article XI-G of the Oregon Constitution, funds
 10 available under the expenditure limitation for bonds issued pursuant to Article XI-G of the Oregon
 11 Constitution in section 6 (1)(b) [of this 2009 Act], **chapter 904, Oregon Laws 2009**, are matched with
 12 the General Fund appropriation made under section 14 [of this 2009 Act], **chapter 904, Oregon**
 13 **Laws 2009**.

14 (3) In compliance with the requirements of Article XI-G of the Oregon Constitution, funds
 15 available under the expenditure limitation for bonds issued pursuant to Article XI-G of the Oregon
 16 Constitution in section 6 (1)(d) [of this 2009 Act], **chapter 904, Oregon Laws 2009**, are matched with
 17 the General Fund appropriation made under section 15 [of this 2009 Act], **chapter 904, Oregon**
 18 **Laws 2009**.

19 (4) In compliance with the requirements of Article XI-G of the Oregon Constitution, funds
 20 available under the expenditure limitation for bonds issued pursuant to Article XI-G of the Oregon
 21 Constitution in section 6 (2)(a) [of this 2009 Act], **chapter 904, Oregon Laws 2009**, are matched with
 22 the General Fund appropriation made under section 16 [of this 2009 Act], **chapter 904, Oregon**
 23 **Laws 2009**.

24 (5) In compliance with the requirements of Article XI-G of the Oregon Constitution, funds
 25 available under the expenditure limitation for bonds issued pursuant to Article XI-G of the Oregon
 26 Constitution in section 6 (2)(b) [of this 2009 Act], **chapter 904, Oregon Laws 2009**, are matched with
 27 the General Fund appropriation made under section 17 [of this 2009 Act], **chapter 904, Oregon**
 28 **Laws 2009**.

29 (6) In compliance with the requirements of Article XI-G of the Oregon Constitution, funds
 30 available under the expenditure limitation for bonds issued pursuant to Article XI-G of the Oregon
 31 Constitution in section 6 (3) [of this 2009 Act], **chapter 904, Oregon Laws 2009**, are matched with
 32 the General Fund appropriation made under section 18 [of this 2009 Act], **chapter 904, Oregon**
 33 **Laws 2009**.

34 [(7) In compliance with the requirements of Article XI-G of the Oregon Constitution, funds avail-
 35 able under the expenditure limitation for bonds issued pursuant to Article XI-G of the Oregon Consti-
 36 tution in section 6 (4)(b) of this 2009 Act are matched with the General Fund appropriation made under
 37 section 19 of this 2009 Act.]

38 [(8)] (7) In compliance with the requirements of Article XI-G of the Oregon Constitution, funds
 39 available under the expenditure limitation for bonds issued pursuant to Article XI-G of the Oregon
 40 Constitution in section 6 (4)(c) [of this 2009 Act], **chapter 904, Oregon Laws 2009**, are matched with
 41 the General Fund appropriation made under section 20 [of this 2009 Act], **chapter 904, Oregon**
 42 **Laws 2009**.

43 [(9)] (8) In compliance with the requirements of Article XI-G of the Oregon Constitution, funds
 44 available under the expenditure limitation for bonds issued pursuant to Article XI-G of the Oregon
 45 Constitution in section 6 (4)(d) [of this 2009 Act], **chapter 904, Oregon Laws 2009**, are matched with

1 the General Fund appropriation made under section 21 *[of this 2009 Act]*, **chapter 904, Oregon**
 2 **Laws 2009.**

3 **(9) In compliance with the requirements of Article XI-G of the Oregon Constitution,**
 4 **funds available under the expenditure limitation for bonds issued pursuant to Article XI-G**
 5 **of the Oregon Constitution in section 6 (4)(k), chapter 904, Oregon Laws 2009, are matched**
 6 **with the General Fund appropriation made under section 7 of this 2010 Act.**

7 (10) In compliance with the requirements of Article XI-G of the Oregon Constitution, funds
 8 available under the expenditure limitation for bonds issued pursuant to Article XI-G of the Oregon
 9 Constitution in section 6 (5)(a) *[of this 2009 Act]*, **chapter 904, Oregon Laws 2009,** are matched with
 10 the General Fund appropriation made under section 22 *[of this 2009 Act]*, **chapter 904, Oregon**
 11 **Laws 2009.**

12 (11) In compliance with the requirements of Article XI-G of the Oregon Constitution, funds
 13 available under the expenditure limitation for bonds issued pursuant to Article XI-G of the Oregon
 14 Constitution in section 6 (6)(b) *[of this 2009 Act]*, **chapter 904, Oregon Laws 2009,** are matched with
 15 the General Fund appropriation made under section 23 *[of this 2009 Act]*, **chapter 904, Oregon**
 16 **Laws 2009.**

17 (12) In compliance with the requirements of Article XI-G of the Oregon Constitution, funds
 18 available under the expenditure limitation for bonds issued pursuant to Article XI-G of the Oregon
 19 Constitution in section 6 (7)(a) *[of this 2009 Act]*, **chapter 904, Oregon Laws 2009,** are matched with
 20 the General Fund appropriation made under section 24 *[of this 2009 Act]*, **chapter 904, Oregon**
 21 **Laws 2009.**

22 **SECTION 5.** Section 13, chapter 904, Oregon Laws 2009, is amended to read:

23 **Sec. 13.** Notwithstanding ORS 351.345 and section 6 *[of this 2009 Act]*, **chapter 904, Oregon**
 24 **Laws 2009,** the State Board of Higher Education may issue bonds for a project listed in section 6
 25 (1)(b) and (d), (2), (3), (4)(b), (c), *[and]* (d) **and (k),** (5)(a), (6)(b) and (7)(a) *[of this 2009 Act]*, **chapter**
 26 **904, Oregon Laws 2009:**

27 (1) If the total amount from other revenues, including federal funds, identified for the project in
 28 the expenditure limitation in section 6 *[of this 2009 Act]*, **chapter 904, Oregon Laws 2009,** has been
 29 received by the State Board of Higher Education; or

30 (2) After reporting to the Emergency Board or the Joint Committee on Ways and Means, if the
 31 total amount from other revenues, including federal funds, identified for the project in the expendi-
 32 ture limitation in section 6 *[of this 2009 Act]*, **chapter 904, Oregon Laws 2009,** has not been re-
 33 ceived by the State Board of Higher Education.

34 **SECTION 6.** Section 2, chapter 788, Oregon Laws 2005, as amended by section 2, chapter 746,
 35 Oregon Laws 2007, section 149, chapter 783, Oregon Laws 2007, and sections 2 and 2a, chapter 906,
 36 Oregon Laws 2009, is amended to read:

37 **Sec. 2.** (1) Pursuant to ORS 286A.560 to 286A.585, at the request of the Oregon Department of
 38 Administrative Services, after the department consults with the Oregon University System, the State
 39 Treasurer is authorized to issue lottery bonds for capital construction, deferred maintenance and
 40 capital renewal, code compliance and safety projects.

41 (2) The use of lottery bond proceeds is authorized based on the following findings:

42 (a) New buildings and facilities are needed in order that universities have adequate facilities for
 43 teaching.

44 (b) Having adequate university buildings and facilities is essential to Oregon's healthy economic
 45 growth.

1 (c) Major subsystems within university buildings are wearing out and must be replaced in order
2 that universities have adequate facilities for teaching.

3 (d) Having safe and fully functioning university facilities is essential to Oregon's healthy eco-
4 nomic growth.

5 (3) The aggregate principal amount of lottery bonds issued pursuant to subsection (1) of this
6 section by the State Treasurer for:

7 (a) Capital construction may not exceed the amount of [~~\$9,554,000~~] **\$11,968,000** and an additional
8 amount estimated by the State Treasurer to be necessary to pay bond-related costs as defined in
9 ORS 286A.560.

10 (b) Deferred maintenance and capital renewal, code compliance and safety projects may not ex-
11 ceed the amount of [~~\$82,231,000~~] **\$79,817,000** and an additional amount estimated by the State
12 Treasurer to be necessary to pay bond-related costs as defined in ORS 286.560.

13 (4) Of the \$22,355,000 of net proceeds of lottery bonds issued pursuant to this section for the
14 biennium beginning July 1, 2009, an amount not to exceed:

15 (a) [~~\$14,247,000~~] **\$20,833,000** shall be deposited in the Oregon University System Capital Con-
16 struction, Deferred Maintenance and Capital Repair Project Fund established by section 3, chapter
17 788, Oregon Laws 2005.

18 (b) \$1,522,000 shall be deposited in the Eastern Oregon University Zabel Hall Deferred Mainte-
19 nance Project Account established by section 16, chapter 904, Oregon Laws 2009.

20 [~~(c) \$6,586,000 shall be deposited in the Oregon State University Strand Agriculture Hall Deferred~~
21 ~~Maintenance Project Account established by section 19, chapter 904, Oregon Laws 2009.]~~

22 **SECTION 7. (1) There is established in the General Fund an account to be known as the**
23 **Oregon State University Marine Mammal Institute and Marine Genomics Program Account.**
24 **Funds in the account shall be used for the construction, remodeling, expansion and reno-**
25 **vation of facilities for a facility project at Oregon State University Hatfield Marine Science**
26 **Center.**

27 **(2) The account shall consist of proceeds from grant funds, gift funds and federal and**
28 **local government funds made available to the Oregon University System for the purpose of**
29 **the facility project described in subsection (1) of this section. Interest earned on moneys in**
30 **the account shall be credited to the account. The account may not be credited with more**
31 **than \$6,586,000 for purposes of this subsection.**

32 **(3) Moneys in the account shall be considered to be General Fund moneys for purposes**
33 **of section 1 (3), Article XI-G of the Oregon Constitution, are continuously appropriated to**
34 **the Oregon University System and may be transferred to the Department of Higher Educa-**
35 **tion Capital Construction Fund for the facility project described in subsection (1) of this**
36 **section.**

37 **SECTION 8. Section 19, chapter 904, Oregon Laws 2009, is repealed.**

38 **SECTION 9. (1) Section 7 of this 2010 Act, the amendments to section 2, chapter 788,**
39 **Oregon Laws 2005, and sections 6, 8, 9, 10 and 13, chapter 904, Oregon Laws 2009, by sections**
40 **1 to 6 of this 2010 Act and the repeal of section 19, chapter 904, Oregon Laws 2009, by section**
41 **8 of this 2010 Act become operative on the day after the date that the Legislative Counsel**
42 **and the Legislative Fiscal Officer receive notice from the Oregon Department of Adminis-**
43 **trative Services of the award of a federal grant from the National Institute of Standards and**
44 **Technology to Oregon State University in an amount of at least \$13,800,000 for the purpose**
45 **of constructing a Marine Mammal and Genomics Building at the Oregon State University**

1 **Hatfield Marine Science Center.**

2 **(2) The Oregon University System shall notify the Oregon Department of Administrative**
3 **Services immediately upon receiving notice of award of the federal grant. The department**
4 **shall notify the Legislative Counsel and the Legislative Fiscal Officer immediately upon re-**
5 **ceiving notice from the Oregon University System.**

6 **SECTION 10. This 2010 Act being necessary for the immediate preservation of the public**
7 **peace, health and safety, an emergency is declared to exist, and this 2010 Act takes effect**
8 **on its passage.**

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