

77TH OREGON LEGISLATIVE ASSEMBLY
2013 REGULAR SESSION
STAFF MEASURE SUMMARY
HOUSE REVENUE COMMITTEE

MEASURE: SB 547-A
CARRIER:
Preliminary

REVENUE: Issued

FISCAL: Issued

Action:

Vote:

Yeas:

Nays:

Exc.:

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Meeting Dates: 5/20/2013

WHAT THE BILL DOES: Authorizes cities and counties to incur exempt bonded indebtedness to finance capital costs.

ISSUES DISCUSSED:

EFFECT OF COMMITTEE AMENDMENTS: The amendment in the Senate Finance and Revenue replaced the measure. Reintroduces the intent of the measure while defining capital construction and aligning it to Capital costs and Capital improvements as an acceptable use of the proceeds of bonded indebtedness. Introduces language to align ORS to the constitutional definitions.

BACKGROUND:

In May of 2010, the Oregon voters amended the Oregon Constitution to allow for local governments to issue general obligation bonds for "capital costs." Previously, all general obligation bond proceeds had to be used for "capital construction" or "capital improvements" as defined in Article XI, Section 11(13). Those terms were difficult for local governments to figure out how to adhere to the law when spending general obligation bond proceeds.

MDAC proposes to update the statutory references of "capital construction" and "capital improvements" to include the term "capital costs" to mirror the Constitution. ORS 287A has many references to "capital construction" and "capital improvements" but now should include "capital costs."

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