

**PROPOSED AMENDMENTS TO
HOUSE BILL 2301**

1 On page 1 of the printed bill, delete lines 5 through 29.

2 On page 2, delete lines 1 through 20 and insert:

3 **SECTION 1. The Legislative Assembly finds and declares that:**

4 **“(1) Infrastructure in the State of Oregon is in need of moderniza-**
5 **tion, expansion and repair.**

6 **“(2) Adequate public infrastructure is essential to restoring and**
7 **maintaining a vibrant 21st century economy in the State of Oregon.**

8 **“(3) Oregon’s economy is recovering from a recession and, as out-**
9 **standing indebtedness is paid, Oregon will have a growing capacity to**
10 **invest in capital assets to improve government efficiency, service**
11 **public needs and support ongoing growth in the economy.**

12 **“(4) Over the next 10 years, the State of Oregon will have the fi-**
13 **nancial capacity to finance nearly \$5 billion of capital investments in**
14 **infrastructure supported by General Fund moneys and the net pro-**
15 **ceeds of the Oregon State Lottery while protecting Oregon’s bond**
16 **rating.**

17 **“(5) To achieve the objectives of making strategic investments in**
18 **our future through a process that leads to optimal investments with**
19 **the greatest return for its residents, the State of Oregon must:**

20 **“(a) Develop a greater capacity to identify the benefits of capital**
21 **projects that support our future;**

22 **“(b) Develop new methods for selecting and financing projects that**

1 optimize capital investment opportunities, control future costs and
2 reduce the risk of excessive borrowing; and

3 “(c) Increase our capacity to institute best practices for capital
4 project identification and screening, analysis of returns, procurement
5 and optimization of design, use and financing.

6 **“SECTION 2. (1) The Oregon Department of Administrative Services**
7 **shall create and maintain a capital planning process for financing**
8 **capital projects to be paid from General Fund moneys and from the**
9 **net proceeds of the Oregon State Lottery. The Capital Infrastructure**
10 **and Investment Plan must prioritize the utilization of debt capacity**
11 **over a 10-year period for executive branch planning and for the pur-**
12 **poses of assisting:**

13 “(a) The Governor in recommending, after consultation with the
14 State Treasurer, the prudent maximum amount of bonds to be issued
15 for each bond program under ORS 286A.035; and

16 “(b) The Legislative Assembly in determining the total amount of
17 bonds the State Treasurer may issue for each related agency under
18 ORS 286A.035.

19 “(2) The 10-year plan required by this section must:

20 “(a) Direct the development of a capital planning process that
21 identifies Oregon’s highest value capital investments and provides a
22 sustained and consistent process for financing projects that align with
23 the achievement of statewide strategic outcomes identified in the plan.

24 “(b) Be based upon projected sustainable financial resources and
25 within prudent financial requirements and conventions to protect the
26 state’s credit rating based on the advice of the State Debt Policy Ad-
27 visory Commission pursuant to ORS 286A.255.

28 “(c) Establish a smoothing methodology that ensures sustained
29 available debt capacity on an ongoing basis over the 10-year planning
30 period that:

1 “(A) Accounts for cyclical fluctuations related to volatile income
2 tax collections; and

3 “(B) Establishes prudent strategic reserve recommendations that
4 reserve debt capacity to support emergent economic opportunities and
5 other immediate opportunities that leverage capital investment.

6 “(d) Be developed in conjunction with capital planning processes
7 for:

8 “(A) Projects financed with moneys in the State Highway Fund and
9 other transportation planning processes; and

10 “(B) Any other state infrastructure planning.

11 “(3) Subject to periodic review and adjustment by the department
12 pursuant to strategies adopted in the 10-year plan, the allocation of
13 planned debt capacity must be distributed among:

14 “(a) Education infrastructure;

15 “(b) State infrastructure;

16 “(c) Regional and community economic development and
17 infrastructure; and

18 “(d) Reserves for innovative or emergent economic opportunities.

19 “(4) Among the criteria for prioritization of debt capacity for
20 infrastructure to be planned and financed:

21 “(a) Education infrastructure must advance identified goals to im-
22 prove access to education, increase capacity to provide education and
23 make other improvements in this state’s ability to deliver education
24 to Oregonians.

25 “(b) State infrastructure must assist the State of Oregon to deliver
26 government services to Oregonians in an efficient and cost-effective
27 manner.

28 “(c) Regional and community economic development and
29 infrastructure must support and advance statewide economic develop-
30 ment policy and stimulate the growth of regional and local economies

1 **throughout Oregon.**

2 **“(5) The department:**

3 **“(a) May assign a coordinator for the capital planning process and**
4 **may assign specific state agencies to take the lead in planning for**
5 **specific categories established in subsection (3) of this section; and**

6 **“(b) Shall facilitate regional and local development projects by**
7 **providing technical assistance to public bodies, as defined in ORS**
8 **174.109, and coordination for capital projects financed, in whole or in**
9 **part, with public moneys.**

10 **“(6) The department is not required to take action under this sec-**
11 **tion in biennia in which moneys are not appropriated for the purpose**
12 **in the legislatively approved budget for the department.”.**

13 In line 21, delete “2” and insert “3”.

14 On page 3, delete lines 37 and 38.

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