

A-Engrossed Senate Bill 5505

Ordered by the Senate June 25
Including Senate Amendments dated June 25

Printed pursuant to Senate Interim Rule 213.28 by order of the President of the Senate in conformance with pre-session filing rules, indicating neither advocacy nor opposition on the part of the President (at the request of Oregon Department of Administrative Services)

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.

- Establishes amounts authorized for issuance of general obligation bonds, revenue bonds, certificates of participation and other financing agreements for biennium.
- Establishes amounts allocated for private activity bonds.
- Makes legislative findings regarding benefits to higher education institutions and community colleges from issuance of bonds under **Article XI-F(1) and Article XI-G** of Oregon Constitution.
- Establishes requirements applicable to certain contracts for specified higher education capital construction projects.**
- Declares emergency, effective July 1, 2021.

A BILL FOR AN ACT

Relating to state financial administration; and declaring an emergency.

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

SECTION 1. The amounts authorized, as provided by ORS 286A.035, for issuance of general obligation bonds of the state during the 2021-2023 biennium are as follows:

GENERAL OBLIGATION BONDS

General Fund Obligations

- (1) Higher Education Coordinating Commission (Art. XI-G):**
 - (a) Eastern Oregon University, Inlow Hall Renovation, Phase II \$ 600,000**
 - (b) Oregon State University:**
 - (A) Cascades Student Success Center..... \$ 5,105,000**
 - (B) Cordley Hall Renovation, Phase II \$ 25,375,000**
 - (c) Portland State University, Gateway Center Reuse and Extension \$ 5,105,000**
 - (d) University of Oregon, Heritage Building Renovation \$ 5,960,000**

Note: For budget, see 2021-2023 Biennial Budget

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.

1	(e)	Western Oregon University,		
2		Student Success Center	\$	695,000
3	(f)	Blue Mountain Community		
4		College, Facility for		
5		Agricultural Resource		
6		Management.....	\$	6,615,000
7	(g)	Central Oregon Community		
8		College, Classroom Building		
9		Redmond Campus.....	\$	8,125,000
10	(h)	Chemeketa Community		
11		College, Building 7 Remodel..	\$	8,125,000
12	(i)	Clatsop Community College,		
13		Maritime Science Building....	\$	8,120,000
14	(j)	Klamath Community College,		
15		Childcare Resource Learning		
16		Center	\$	1,540,000
17	(k)	Linn-Benton Community		
18		College, Agricultural Center .	\$	8,125,000
19	(L)	Mt. Hood Community College,		
20		Accessibility Upgrades,		
21		Dental Hygiene Lab and		
22		Deferred Maintenance.....	\$	8,125,000
23	(m)	Oregon Coast Community		
24		College, Workforce Education		
25		and Resiliency Center	\$	8,125,000
26	(n)	Rogue Community College,		
27		Transportation Technology		
28		Center	\$	7,120,000
29	(o)	Tillamook Bay Community		
30		College, Classroom and		
31		Office Building and		
32		Renovations.....	\$	8,125,000
33	(p)	Treasure Valley Community		
34		College, Nursing-Allied		
35		Health Professions Center	\$	5,015,000
36	(2)	Department of Environmental		
37		Quality (Art. XI-H)	\$	10,300,000
38	(3)	Oregon Business Development		
39		Department (Art. XI-M)	\$	111,300,000
40	(4)	Oregon Business Development		
41		Department (Art. XI-N).....	\$	50,750,000
42	(5)	Department of Education		
43		(Art. XI-P)	\$	126,090,000
44	(6)	Oregon Department of		
45		Administrative		

1	Services (Art. XI-Q):		
2	(a) Department of Revenue,		
3	Electronic Valuation		
4	Information System.....	\$	4,245,000
5	(b) Oregon Military Department:		
6	(A) Ashland Armory Service		
7	Life Extension.....	\$	5,480,000
8	(B) Corvallis Armory Service		
9	Life Extension.....	\$	4,375,000
10	(C) Resiliency Grant Fund		
11	established under		
12	ORS 401.552.....	\$	10,210,000
13	(D) Washington County		
14	Readiness Center	\$	5,410,000
15	(c) Oregon State Police:		
16	(A) Central Point Office		
17	Expansion.....	\$	34,435,000
18	(B) Springfield Forensic Lab and		
19	Medical Examiner’s Office	\$	62,710,000
20	(C) Springfield Patrol Area		
21	Command Office.....	\$	14,490,000
22	(d) Department of Corrections:		
23	(A) Capital Improvement and		
24	Renewal.....	\$	70,745,000
25	(B) Electronic Health Records....	\$	13,635,000
26	(C) Off-Net Telephone		
27	Infrastructure.....	\$	3,825,000
28	(e) Oregon Youth Authority:		
29	(A) Camp Riverbend Dorm		
30	Renovation	\$	6,975,000
31	(B) Capital Improvements.....	\$	11,060,000
32	(C) Control Room Renovations ...	\$	1,300,000
33	(D) JJIS IT System		
34	Modernization	\$	7,870,000
35	(E) MacLaren Infirmary and		
36	Pharmacy Renovation	\$	1,720,000
37	(F) MacLaren West Cottages		
38	Renovations.....	\$	20,795,000
39	(G) Oak Creek Medical and		
40	Dental Clinic Renovations.....	\$	710,000
41	(H) Rogue Valley Facility		
42	Improvements	\$	7,110,000
43	(I) Tillamook Dorm Renovation .	\$	10,495,000
44	(J) Tillamook Medical and		
45	Dental Renovations.....	\$	690,000

1	(f) Oregon Health Authority:		
2	(A) OSH Salem Well Water		
3	Treatment Facility	\$	4,555,000
4	(B) OSH Salem/Junction City		
5	Automated Dispensing		
6	Cabinets	\$	3,555,000
7	(g) Higher Education		
8	Coordinating Commission:		
9	(A) Public Universities Capital		
10	Improvement and Renewal ...	\$	80,810,000
11	(B) Eastern Oregon University,		
12	Inlow Hall Renovation,		
13	Phase II	\$	17,920,000
14	(C) Oregon Institute of		
15	Technology, OMIC R&D Center		
16	for Additive Manufacturing		
17	Innovation, Phase II	\$	5,105,000
18	(D) Oregon State University:		
19	(i) Cascades Student Success		
20	Center	\$	8,930,000
21	(ii) Cordley Hall Renovation,		
22	Phase II	\$	61,690,000
23	(E) Portland State University,		
24	Gateway Center Reuse and		
25	Extension	\$	45,585,000
26	(F) University of Oregon,		
27	Heritage Building Renovation	\$	53,285,000
28	(G) Western Oregon University,		
29	Student Success Center	\$	20,920,000
30	(H) FAMIS System Replacement	\$	5,105,000
31	(h) Department of Education:		
32	(A) Oregon School for the Deaf		
33	ADA Restrooms	\$	1,065,000
34	(B) Oregon School for the Deaf		
35	Fire Alarm System		
36	Replacement.....	\$	3,145,000
37	(C) Oregon School for the Deaf		
38	Windows Upgrade	\$	1,425,000
39	(i) State Forestry Department:		
40	(A) Capital Improvements.....	\$	2,464,209
41	(B) Toledo Facility Replacement		
42	Phase II	\$	1,136,227
43	(j) State Parks and Recreation		
44	Department, Capital		
45	Improvement and Renewal ...	\$	50,750,000

1	(k) Oregon Department of		
2	Fish and Wildlife,		
3	Capital Improvement		
4	and Renewal.....	\$	5,105,000
5	(L) Housing and Community		
6	Services Department,		
7	Local Innovation and Fast		
8	Track (LIFT) Housing and		
9	Permanent Supportive		
10	Housing	\$	413,490,000
11	(m) Judicial Department:		
12	(A) Benton County Courthouse...	\$	20,730,000
13	(B) Clackamas County		
14	Courthouse.....	\$	95,400,000
15	(C) Crook County Courthouse.....	\$	11,885,000
16	(D) Linn County Courthouse.....	\$	16,110,000
17	(E) Supreme Court Building		
18	Renovation	\$	21,950,000
19	(n) Legislative Administration		
20	Committee, Document		
21	Publishing and Management		
22	System	\$	4,310,000
23	<u>Dedicated Fund Obligations</u>		
24	(7) Department of Veterans'		
25	Affairs (Art. XI-A).....	\$	180,000,000
26	(8) Department of Environmental		
27	Quality (Art. XI-H)	\$	10,000,000
28	(9) Housing and Community		
29	Services Department		
30	(Art. XI-I(2))	\$	50,000,000
31	(10) Higher Education Coordinating		
32	Commission (Art. XI-F(1)):		
33	(a) Oregon Institute of		
34	Technology, New Residence		
35	Hall Facility	\$	55,650,000
36	(b) Oregon State University,		
37	Reser Stadium West		
38	Grandstands.....	\$	40,555,000
39	(c) Portland State University,		
40	Gateway Center Reuse		
41	and Extension	\$	18,300,000
42	(11) Oregon Department of		
43	Administrative Services		
44	(Art. XI-Q):		
45	(a) Executive Building Interior		

1	and Seismic Renovation.....	\$	45,620,000
2	(b) Justice Building Exterior		
3	Renovations.....	\$	3,555,000
4	(c) North Valley Complex		
5	Infrastructure Upgrades/		
6	Tenant Improvements.....	\$	60,820,000
7	(d) Portland State Office		
8	Building Improvements.....	\$	8,730,000
9	(e) Revenue Building Electrical		
10	System Upgrades	\$	7,120,000
11	(f) Yellow Parking Lot Paving ...	\$	4,055,000
12	(g) State Forestry Department:		
13	(A) Capital Improvements.....	\$	2,420,791
14	(B) Toledo Facility Replacement,		
15	Phase II	\$	1,578,773
16	(h) Oregon Liquor Control		
17	Commission:		
18	(A) Liquor Warehouse Conveyor		
19	System	\$	10,175,000
20	(B) Liquor Warehouse Land		
21	and Building.....	\$	53,170,000
22	(C) Liquor Warehouse		
23	Management IT System.....	\$	27,390,000
24	<u>Total General Obligation</u>		
25	<u>Bonds</u>	\$	2,252,290,200

SECTION 2. The amounts authorized, as provided by ORS 286A.035, for issuance of revenue bonds of the state during the 2021-2023 biennium are as follows:

REVENUE BONDS

Direct Revenue Bonds

31	Housing and Community		
32	Services Department.....	\$	500,000,000
33	Department of		
34	Transportation.....	\$	880,000,000
35	Oregon Business Development		
36	Department	\$	30,000,000
37	Oregon Department of		
38	Administrative Services,		
39	Lottery Revenue Bonds	\$	492,440,000

Total Direct Revenue

41	<u>Bonds</u>	\$	1,902,440,000
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Pass-Through Revenue Bonds

43	Oregon Business Development		
44	Department, Industrial		
45	Development Bonds.....	\$	600,000,000

1	Oregon Business Development	
2	Department, Beginning and	
3	Expanding Farmer Loan	
4	Program.....	\$ 2,500,000
5	Oregon Facilities Authority..	\$ 1,000,000,000
6	Housing and Community	
7	Services Department.....	\$ 1,300,000,000
8	<u>Total Pass-Through Revenue</u>	
9	<u>Bonds</u>	\$ 2,902,500,000
10	<u>Total Revenue Bonds</u>	\$ 4,804,940,000

11 **SECTION 3.** The amount authorized, as provided by ORS 286A.035, for issuance of cer-
 12 tificates of participation and other financing agreements of the state during the 2021-2023
 13 biennium for the Oregon Department of Administrative Services is \$100,000,000.

14 **SECTION 4.** (1) For calendar year 2022, the amount of \$442,862,385 is allocated for private
 15 activity bonds, as provided in ORS 286A.615, as follows:

16	(a) Oregon Business Development	
17	Department, Industrial	
18	Development Bonds.....	\$ 40,000,000
19	(b) Oregon Business Development	
20	Department, Beginning and	
21	Expanding Farmer Loan	
22	Program.....	\$ 1,000,000
23	(c) Housing and Community	
24	Services Department.....	\$ 250,000,000
25	(d) Private Activity Bond	
26	Committee.....	\$ 151,862,385

27 (2) For calendar year 2023, the amount of \$442,862,385 is allocated for private activity
 28 bonds, as provided in ORS 286A.615, as follows:

29	(a) Oregon Business Development	
30	Department, Industrial	
31	Development Bonds.....	\$ 40,000,000
32	(b) Oregon Business Development	
33	Department, Beginning and	
34	Expanding Farmer Loan	
35	Program.....	\$ 1,000,000
36	(c) Housing and Community	
37	Services Department.....	\$ 250,000,000
38	(d) Private Activity Bond	
39	Committee.....	\$ 151,862,385

40 (3) If an increase in this state's population, a sufficient increase in the Consumer Price
 41 Index or a change in federal law allows the private activity bond limit as set by the Internal
 42 Revenue Code of 1986, as amended, to exceed \$442,862,385 during the 2022 calendar year or
 43 \$442,862,385 during the 2023 calendar year, the increase is allocated to the Private Activity
 44 Bond Committee.

45 **SECTION 5.** (1) For purposes of Article XI-F(1), section 1, of the Oregon Constitution,

1 the Legislative Assembly determines that the projects authorized to be financed pursuant to
 2 section 1 (10) of this 2021 Act with bonds issued under Article XI-F(1) of the Oregon Consti-
 3 tution will benefit higher education institutions or activities.

4 (2) For purposes of Article XI-G, section 1, of the Oregon Constitution, the Legislative
 5 Assembly determines that the projects authorized to be financed pursuant to section 1 (1)
 6 of this 2021 Act with bonds issued under Article XI-G of the Oregon Constitution will benefit
 7 higher education institutions or activities or community colleges authorized by law to receive
 8 state aid.

9 **SECTION 6.** Bonds authorized under section 1 (1) of this 2021 Act may not be issued until
 10 the constructing authority certifies that the constructing authority has matching funds
 11 available for the same or similar purposes as the Article XI-G bonds that will fund the grant
 12 to the constructing authority, that the matching funds are not proceeds of indebtedness in-
 13 curred by the state under any other article of the Oregon Constitution, and that the
 14 matching funds are available to the constructing authority in an amount at least equal to
 15 the amount of indebtedness incurred by the state through the issuance of the Article XI-G
 16 bonds.

17 **SECTION 7.** (1) Out of the amount specified in section 1 (6)(m)(A) of this 2021 Act, the
 18 State Treasurer may issue Article XI-Q bonds in an amount not to exceed \$20,383,129 of net
 19 proceeds for the purposes and in the manner specified in section 8, chapter 705, Oregon Laws
 20 2013, plus an amount estimated by the State Treasurer to pay estimated bond-related costs.

21 (2) Out of the amount specified in section 1 (6)(m)(B) of this 2021 Act, the State Treas-
 22 urer may issue Article XI-Q bonds in an amount not to exceed \$94,500,000 of net proceeds for
 23 the purposes and in the manner specified in section 8, chapter 705, Oregon Laws 2013, plus
 24 an amount estimated by the State Treasurer to pay estimated bond-related costs.

25 (3) Out of the amount specified in section 1 (6)(m)(C) of this 2021 Act, the State Treas-
 26 urer may issue Article XI-Q bonds in an amount not to exceed \$11,700,000 of net proceeds for
 27 the purposes and in the manner specified in section 8, chapter 705, Oregon Laws 2013, plus
 28 an amount estimated by the State Treasurer to pay estimated bond-related costs.

29 (4) Out of the amount specified in section 1 (6)(m)(D) of this 2021 Act, the State Treas-
 30 urer may issue Article XI-Q bonds in an amount not to exceed \$15,900,000 of net proceeds for
 31 the purposes and in the manner specified in section 8, chapter 705, Oregon Laws 2013, plus
 32 an amount estimated by the State Treasurer to pay estimated bond-related costs.

33 (5) For purposes of sections 8 and 9, chapter 705, Oregon Laws 2013, and section 64,
 34 chapter 723, Oregon Laws 2013, bonds issued pursuant to this section are considered to be
 35 bonds issued pursuant to section 8, chapter 705, Oregon Laws 2013.

36 (6) Bonds may not be issued pursuant to section 1 (6)(m)(A), (B), (C) or (D) of this 2021
 37 Act except as provided in this section.

38 **SECTION 8.** From the net proceeds of bonds issued under section 1 (6)(b)(C) of this 2021
 39 Act, the Office of Emergency Management may expend a maximum of \$2,000,000 for urban
 40 search and rescue preparedness equipment.

41 **SECTION 9.** A community college for which a project to be funded with general obligation
 42 bonds authorized to be issued under Article XI-G of the Oregon Constitution is approved in
 43 this 2021 Act may not request approval for an additional project to be funded with general
 44 obligation bonds authorized to be issued under Article XI-G of the Oregon Constitution until
 45 the beginning of the regular session of the Legislative assembly held in 2025, unless the

1 community college withdraws the project approved under this 2021 Act.

2 **SECTION 10.** (1) A public university that is carrying out a qualified project shall require
3 each contractor in a contract with an estimated cost of \$200,000 or greater to:

4 (a) Employ apprentices to perform 15 percent of the work hours that workers in
5 apprenticeable occupations perform under the contract, in a manner consistent with the
6 apprentices' respective apprenticeship training programs;

7 (b) Establish and execute a plan for outreach, recruitment and retention of women, mi-
8 nority individuals and veterans to perform work under the contract, with the aspirational
9 target of having at least 15 percent of total work hours performed by individuals in one or
10 more of those groups;

11 (c) Provide health insurance and retirement benefits to workers; and

12 (d) Require any subcontractor engaged by the contractor to abide by the requirements
13 set forth in paragraphs (a), (b) and (c) of this subsection, if the work to be performed under
14 the subcontract has an estimated cost of \$200,000 or greater.

15 (2) On or before February 1 of each year, each public university that is carrying out a
16 qualified project shall report to the Joint Committee on Ways and Means or Joint Interim
17 Committee on Ways and Means, as part of the report required under ORS 350.379, on:

18 (a) The amount of work performed on qualified projects by apprentices;

19 (b) The amount of work performed on qualified projects by women, minority individuals
20 and veterans; and

21 (c) The types and costs of health insurance and retirement benefits provided to workers
22 by contractors and subcontractors.

23 (3) The requirements of this section are in addition to, and not in lieu of, the require-
24 ments imposed under ORS 350.379.

25 (4) As used in this section:

26 (a) "Apprentice" has the meaning given that term in ORS 660.010.

27 (b) "Apprenticeable occupation" has the meaning given that term in ORS 660.010.

28 (c) "Apprenticeship training program" means the total system of apprenticeship that a
29 particular local joint committee, as defined in ORS 660.010, operates, including the local joint
30 committee's registered standards and all other terms and conditions for qualifying, recruit-
31 ing, selecting, employing and training apprentices in an apprenticeable occupation.

32 (d) "Minority individual" has the meaning given that term in ORS 200.005.

33 (e) "Qualified project" means the following capital construction projects:

34 (A) The Eastern Oregon University Inlow Hall Renovation, Phase II referenced in section
35 1 (1)(a) of this 2021 Act;

36 (B) The Oregon State University Cascades Student Success Center referenced in section
37 1 (1)(b)(A) of this 2021 Act;

38 (C) The Oregon State University Cordley Hall Renovation, Phase II referenced in section
39 1 (1)(b)(B) of this 2021 Act;

40 (D) The Portland State University Gateway Center Reuse and Extension referenced in
41 section 1 (1)(c) of this 2021 Act;

42 (E) The University of Oregon Heritage Building Renovation referenced in section 1 (1)(d)
43 of this 2021 Act; and

44 (F) The Western Oregon University Student Success Center referenced in section 1 (1)(e)
45 of this 2021 Act.

1 (f) "Veteran" has the meaning given that term in ORS 408.225.

2 (g) "Woman" has the meaning given that term in ORS 200.005.

3 **SECTION 11.** This 2021 Act being necessary for the immediate preservation of the public
4 peace, health and safety, an emergency is declared to exist, and this 2021 Act takes effect
5 July 1, 2021.
6
