

Legislative Fiscal Office

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Joint Committee on Ways and Means

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To: Capital Construction Subcommittee

From: Walt Campbell, Legislative Fiscal Office

Date: June 20, 2023

Subject: HB 5005 – Bond Authorization
Work Session Recommendations

HB 5005 limits the maximum amount of bonds and third-party financing agreements that state agencies may issue, and the amount of revenue state agencies may raise from such issuance. The proceeds from the issuance of bonds are included as revenues in agency budgets. The bill also allocates the federal tax-exempt private activity bond volume cap.

The -1 amendment replaces the bill with the final general obligation bonds, revenue bonds, and other financing agreements authorized to be issued during the 2023-25 biennium.

Bond authorizations include:

- \$604.3 million of Article XI-Q bonds for the Local Innovation and Fast Track (LIFT) Housing and Permanent Supportive Housing programs.
- \$322.7 million of Article XI-G and Article XI-Q bonds to finance five public university projects.
- \$24.5 million of Article XI-F (1) bonds to finance two public university projects that will be supported with university revenues.
- \$75 million of Article XI-G bonds to finance 11 community college projects.
- \$151.5 million of Article XI-M and Article XI-N bonds for seismic rehabilitation grants to schools and emergency services facilities.
- \$100.9 million of Article XI-P bonds to fund matching grants to school districts for capital improvements.
- \$446.2 million of General Fund-supported Article XI-Q bonds to finance the capital costs of state property, including buildings, deferred maintenance on state-owned facilities, and information technology projects.
- \$62.8 million of Article XI-Q bonds for Benton County, Clackamas County, Morrow County, and Curry County courthouse replacement projects.
- \$251.8 million of General Fund-supported Article XI-7 bonds for the Interstate 5 Bridge Replacement project. An additional \$750 million of net proceeds are authorized to be issued over the next three biennia for a total of \$1 billion to support Oregon's share of the \$6.3 billion project.

- \$501.1 million of lottery revenue bonds to support projects authorized in HB 5030.

A summary of general obligation bonds included in the -1 amendment is attached. General Fund debt service on the approved bonds is estimated to be \$84.1 million in the 2023-25 biennium and \$342.8 million in the 2025-27 biennium. Lottery Funds debt service is estimated to be \$13.1 million in the 2023-25 biennium and \$85.2 million in the 2025-27 biennium.

After authorizations in the -1 amendment, remaining debt capacity for General Fund supported bonds will be approximately \$65.8 million and Lottery Bonds will be approximately \$27.4 million.

Recommended Changes

LFO recommends adoption of the -1 amendment.

MOTION: I move adoption of the -1 amendment to HB 5005. (VOTE)

Final Subcommittee Action

LFO recommends that HB 5005, as amended by the -1 amendment, be moved to the Ways and Means Full Committee.

MOTION: I move HB 5005, as amended, to the Full Committee with a do pass recommendation. (VOTE)

Carriers

Full Committee: _____

House Floor: _____

Senate Floor: _____

**General Obligation Bonds
2023-25 Legislatively Adopted Budget**

		Bond Program	Project Amount	Cost of Issuance	Bond Par Value
General Fund Supported					
HECC-U	Public Universities Capital Improvement and Renewal	XI-Q	100,000,000	885,000	100,885,000
HECC-U	OIT - Geothermal System Emergency Renovation	XI-Q	17,956,151	203,849	18,160,000
HECC-U	OSU - Collaborative Innovation Complex	XI-G	71,975,000	705,000	72,680,000
HECC-U	PSU - Vernier Science Center and Gateway Art & Design Project Completions	XI-Q	52,588,750	586,250	53,175,000
HECC-U	PSU - Vernier Science Center and Gateway Art & Design Project Completions	XI-G	4,275,000	55,000	4,330,000
HECC-U	UO - Friendly Hall Renovation	XI-Q	65,175,650	664,350	65,840,000
HECC-U	UO - Friendly Hall Renovation	XI-G	7,543,000	107,000	7,650,000
			319,513,551	3,206,449	322,720,000
HECC-CC	Chemeketa CC - Building 7 Remodel (reauthorization)	XI-G	8,000,000	110,000	8,110,000
HECC-CC	Klamath CC - Childcare Resource Learning Center (reauthorization)	XI-G	1,500,000	35,000	1,535,000
HECC-CC	Rogue CC - Transportation Technology Center (reauthorization)	XI-G	7,000,000	105,000	7,105,000
HECC-CC	Central Oregon CC - Renovation and Expansion of CTE Facilities at Redmond Campus (reauthorization)	XI-G	4,000,000	50,000	4,050,000
HECC-CC	Clatsop CC - Marine Science Building (reauthorization)	XI-G	7,900,000	110,000	8,010,000
HECC-CC	Oregon Coast CC - Center for Trades Education (reauthorization)	XI-G	8,000,000	110,000	8,110,000
HECC-CC	Columbia Gorge CC - Campus Renovations for Student Safety and Success	XI-G	5,500,000	95,000	5,595,000
HECC-CC	Lane CC - Science, Mathematics and Engineering Building Renovation	XI-G	8,000,000	110,000	8,110,000
HECC-CC	Portland CC - Rock Creek Campus Building Complex - Phase I	XI-G	8,000,000	110,000	8,110,000
HECC-CC	SW Oregon CC - Student Uplift & Collaboration Create Expanded Support Success	XI-G	8,000,000	110,000	8,110,000
HECC-CC	Umpqua CC - Welcome Center & Medical Careers Training Hub	XI-G	8,000,000	110,000	8,110,000
			73,900,000	1,055,000	74,955,000
DEQ	Orphan Sites Clean-Up	XI-H	10,000,000	333,333	10,333,333
OBDD	Seismic Rehabilitation Grant Program - Schools	XI-M	100,000,000	885,000	100,885,000
OBDD	Seismic Rehabilitation Grant Program - Emergency Services Buildings	XI-N	50,000,000	570,000	50,570,000
ODE	Oregon School Capital Improvement Match Grant Program	XI-P	100,000,000	885,000	100,885,000
HCSO	Local Innovation and Fast Track (LIFT) Housing / Permanent Supportive Housing Programs	XI-Q	600,000,000	4,280,000	604,280,000
DOC	Camera System	XI-Q	8,500,000	115,000	8,615,000
DOC	Capital Improvement and Renewal	XI-Q	50,000,000	570,000	50,570,000
DOC	Wireless Communication System	XI-Q	12,900,000	170,000	13,070,000
DOR	Electronic Valuation Information System (ELVIS)	XI-Q	14,000,000	265,000	14,265,000
HECC	FAMIS System Replacement, Phase II	XI-Q	5,000,000	95,000	5,095,000
LAC	CAMS III - Capitol Accessibility, Maintenance, and Safety Phase III	XI-Q	215,000,000	1,920,000	216,920,000
ODE	Oregon School for the Deaf Capital Improvements	XI-Q	3,500,000	50,000	3,550,000
ODF	Toledo Facility Replacement Phase II (GF) (reauthorization)	XI-Q	1,115,640	18,495	1,134,135
ODF	Capital Improvements - All Facilities (GF) (reauthorization)	XI-Q	2,431,809	29,878	2,461,687
ODF	Multi-Mission Aircraft	XI-Q	7,344,000	100,980	7,444,980
ODF	Salem Airport Hanger	XI-Q	1,224,000	24,480	1,248,480
ODFW	Capital Improvement and Renewal	XI-Q	2,500,000	40,000	2,540,000
OHA	Junction City Single Unit Remodel	XI-Q	5,000,000	95,000	5,095,000
OHA	PLC System Replacement	XI-Q	3,000,000	45,000	3,045,000
OMD	Salem Owen Summers Building Seismic Strengthening & Life Safety Improvements	XI-Q	5,500,000	95,000	5,595,000
OMD	Salem Owen Summers Building Service Life Extension	XI-Q	2,909,970	45,030	2,955,000
OSP	Central Point Office Expansion	XI-Q	26,500,000	345,000	26,845,000
OSP	Springfield Forensic Lab & Medical Examiner's Office	XI-Q	21,320,000	225,000	21,545,000
OSP	Springfield Patrol Area Command Office	XI-Q	7,278,186	106,814	7,385,000
OYA	Camp Riverbend Dorm Renovation (reauthorization)	XI-Q	5,367,101	87,899	5,455,000
OYA	Capital Improvements - All Facilities (new and reauthorization)	XI-Q	11,644,558	150,442	11,795,000
OYA	Control Room Renovations (reauthorization)	XI-Q	300,000	30,000	330,000
OYA	MacLaren West Cottages Renovations (reauthorization)	XI-Q	11,278,547	146,453	11,425,000
OYA	JJIS IT System Modernization	XI-Q	7,746,046	103,954	7,850,000
OYA	Rogue Valley Facility Improvements (reauthorization)	XI-Q	1,474,243	35,667	1,509,910
OYA	Tillamook Dorm Renovation (reauthorization)	XI-Q	8,279,899	140,101	8,420,000
			441,113,999	5,050,193	446,164,192

		Bond Program	Project Amount	Cost of Issuance	Bond Par Value
OJD	Benton County Courthouse	XI-Q	8,831,894	118,106	8,950,000
OJD	Clackamas County Courthouse	XI-Q	30,000,000	365,000	30,365,000
OJD	Morrow County Courthouse	XI-Q	12,575,000	170,000	12,745,000
OJD	Curry County Courthouse	XI-Q	10,600,000	160,000	10,760,000
			<u>62,006,894</u>	<u>813,106</u>	<u>62,820,000</u>
ODOT	Interstate 5 Bridge Replacement	XI-7	250,000,000	1,825,000	251,825,000
		Total General Fund Obligations	2,006,534,444	18,903,081	2,025,437,525
Other Funds Supported (non-capacity)					
ODVA	Veterans' Home Loan Program	XI-A	109,023,670	-	109,023,670
HECC-U	PSU Vernier Science Center and Gateway Art & Design Project Completions	XI-F(1)	16,000,000	190,000	16,190,000
HECC-U	PSU Smith Memorial Union	XI-F(1)	8,200,000	115,000	8,315,000
			<u>24,200,000</u>	<u>305,000</u>	<u>24,505,000</u>
DEQ	Clean Water State Revolving Fund	XI-H	20,000,000	-	20,000,000
HCSO	Elderly & Disabled Housing Program	XI-I(2)	50,000,000	-	50,000,000
DAS	Yellow Parking Lot Paving (reauthorization)	XI-Q	4,000,000	50,000	4,050,000
DOJ	Legal Tools Replacement System 3.0	XI-Q	21,200,000	320,000	21,520,000
ODF	Capital Improvements - All Facilities (OF) (reauthorization)	XI-Q	2,388,962	29,351	2,418,313
ODF	Toledo Facility Replacement Phase II (OF) (reauthorization)	XI-Q	1,550,167	25,698	1,575,865
ODF	Multi-Mission Aircraft	XI-Q	4,656,000	64,020	4,720,020
ODF	Salem Airport Hanger	XI-Q	776,000	15,520	791,520
OLCC	Liquor Warehouse Conveyor System (reauthorization)	XI-Q	15,000,000	185,000	15,185,000
OLCC	Liquor Warehouse Land & Building (reauthorization)	XI-Q	54,917,783	597,217	55,515,000
OLCC	Liquor Warehouse Management IT System (reauthorization)	XI-Q	16,500,000	195,000	16,695,000
			<u>120,988,912</u>	<u>1,481,806</u>	<u>122,470,718</u>
DAS	Other Financing Agreements (Lease Purchase)	OFA	100,000,000	-	100,000,000
		Total Dedicated Fund Obligations	424,212,582	1,786,806	425,999,388