

House Joint Resolution 10

Sponsored by Representative OWENS (Presession 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**. The statement includes a measure digest written in compliance with applicable readability standards.

Digest: Removes the condition that a school district must have voters approve a bond for capital cost matching funds. (Flesch Readability Score: 61.6).

Proposes an amendment to the Oregon Constitution to remove the requirement that school districts must receive voter approval for local general obligation bonds in order to be eligible for matching funds from state-issued bonds.

Refers the proposed amendment to the people for their approval or rejection at the next regular general election.

JOINT RESOLUTION

Be It Resolved by the Legislative Assembly of the State of Oregon:

PARAGRAPH 1. Section 1, Article XI-P of the Constitution of the State of Oregon, is amended to read:

Sec. 1. (1) In the manner provided by law and notwithstanding the limitations contained in section 7, Article XI of this Constitution, the State of Oregon may loan its credit and incur indebtedness, in an aggregate outstanding principal amount not to exceed, at any one time, one-half of one percent of the real market value of the real property in this state, to provide funds to be advanced by grant or loan to school districts to finance the capital costs of the school districts. Bonds issued under this section may not be paid from ad valorem property taxes.

(2) Indebtedness incurred under this section must be in the form of general obligation bonds of the State of Oregon containing a direct promise to pay the principal, interest and premium, if any, of the bonds in an aggregate outstanding principal amount not to exceed the amount authorized in subsection (1) of this section. The bonds are the direct obligation of the State of Oregon and must be in such form, run for such periods of time, have such terms and bear such rates of interest as may be provided by statute. The State of Oregon shall pledge its full faith and credit and taxing power to the payment of the principal, interest and premium, if any, of the bonds. However, the State of Oregon may not pledge its ad valorem taxing power to the payment of the bonds.

(3) The proceeds from bonds issued under this section may be used only to provide matching funds to finance the capital costs of school districts [*that have received voter approval for local general obligation bonds*] and to provide for the costs of issuing bonds and the payment of debt service.

(4) The proceeds from bonds issued under this section may not be used to finance the operating costs of school districts.

PARAGRAPH 2. **The amendment proposed by this resolution shall be submitted to the people for their approval or rejection at the next regular general election held throughout this state.**

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.