

CHAPTER 87

AN ACT

SB 5702

Relating to state financial administration; creating new provisions; amending section 21, chapter 786, Oregon Laws 2013, sections 1, 2 and 3, chapter 570, Oregon Laws 2017, and section 5, chapter 748, Oregon Laws 2017; and declaring an emergency.

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

SECTION 1. Section 1, chapter 570, Oregon Laws 2017, is amended to read:

Sec. 1. The amounts authorized, as provided by ORS 286A.035, for issuance of general obligation bonds of the state during the 2017-2019 biennium, notwithstanding section 10, chapter 705, Oregon Laws 2013, are as follows:

GENERAL OBLIGATION BONDS

General Fund Obligations

(1) Higher Education Coordinating Commission (Art. XI-G):		
(a) Oregon Institute of Technology, Center for Excellence in Engineering and Technology/Cornett Hall Renovation.....	\$	2,050,000
(b) Oregon State University:		
(A) Quality Foods and Beverage Center	\$	9,100,000
(B) Gilkey Hall Renovation	\$	2,050,000
(C) Cascades Academic Building 2	\$	10,215,000
(c) Portland State University, Graduate School of Education Facility	\$	36,485,000
(d) University of Oregon, Campus for Accelerating [Scientific Impact]	\$	50,620,000
Scientific Impact	\$	70,910,000
(e) Western Oregon University:		
(A) Information Technology Center Renovation	\$	540,000
(B) Oregon Military Building Renovation	\$	540,000
(f) Blue Mountain Community College, Facility for Agricultural Resource Management	\$	5,115,000
(g) Chemeketa Community College, Agricultural Complex	\$	6,125,000
(h) Clackamas Community College:		
(A) DeJardin Building Addition.....	\$	8,140,000
(B) Student Services and Community Commons	\$	8,140,000
(i) Clatsop Community College, Marine Science Center Renovation and Expansion	\$	8,135,000
(j) Columbia Gorge Community College, Middle College Prototype Facility	\$	7,400,000
(k) Lane Community College, Health Care Village Facility.....	\$	8,140,000

(L) Linn-Benton Community College, Student Advising and Campus Safety Center	\$	7,635,000
(m) Mt. Hood Community College, Maywood Park Center.....	\$	8,140,000
(n) Oregon Coast Community College, Workforce Education and Resiliency Center.....	\$	8,140,000
(o) Portland Community College, Health Technology Building Renovation	\$	8,140,000
(p) Rogue Community College, Elk Building Science Facility Renovation and Expansion	\$	6,125,000
(q) Southwestern Oregon Community College, Dellwood Hall Remodel and Expansion.....	\$	2,805,000
(r) Treasure Valley Community College, Workforce Vocational Center.....	\$	2,865,000
(s) Umpqua Community College, Industrial Technology Building	\$	8,140,000
(2) Department of Environmental Quality (Art. XI-H).....	\$	10,300,000
(3) Oregon Business Development Department (Art. XI-M)	\$	101,180,000
(4) Oregon Business Development Department (Art. XI-N).....	\$	20,430,000
(5) Department of Education (Art. XI-P)	\$	100,985,000
(6) Oregon Department of Administrative Services (Art. XI-Q):		
(a) Department of Corrections:		
(A) Capital Improvements and Renewal	\$	26,770,000
(B) Technology Infrastructure	\$	12,445,000
(b) Department of Education, Oregon School for the Deaf Facility Improvements	\$	4,365,000
(c) Department of Environmental Quality, Environmental Data Management System	\$	5,070,000
[(c)] (d) Department of Human Services, ONE Integrated Eligibility and Medicaid Eligibility System	\$	34,045,000
[(d)] (e) Department of Justice, Child Support Enforcement [Automated System]	\$	16,585,000
Automated System	\$	19,400,000
[(e)] (f) Department of Revenue, Core Tax Revenue Systems Replacement	\$	4,855,000
[(f)] (g) Department of Veterans' Affairs:		
(A) Lebanon Veteran's Home Parking Lot	\$	1,345,000
(B) The Dalles Veterans' Home Capital Improvements	\$	1,195,000
(C) Roseburg Veterans' Home.....	\$	10,720,000
[(g)] (h) Housing and Community Services Department, Local Innovation and Fast Track Housing Program	\$	81,090,000
[(h)] (i) Higher Education Coordinating Commission:		

(A) Public Universities Capital Improvement and Renewal.....	\$	50,620,000
(B) Eastern Oregon University, Loso Hall Renovation	\$	5,575,000
(C) Oregon Institute of Technology:		
(i) Center for Excellence in Engineering and Technology/ Cornett Hall Renovation	\$	38,475,000
(ii) Oregon Manufacturing Innovation Center, Research and Development Facility	\$	3,940,000
(D) Oregon State University:		
(i) Cordley Hall Renovation.....	\$	15,250,000
(ii) Fairbanks Hall Renovation.....	\$	11,220,000
(iii) Gilkey Hall Renovation.....	\$	1,045,000
(iv) Cascades Expansion Site Reclamation	\$	9,145,000
(v) Cascades Academic Building 2.....	\$	29,410,000
(E) Portland State University, Graduate School of Education Facility	\$	9,145,000
(F) Southern Oregon University[, <i>Central Hall</i>] [<i>Capital Improvements</i>]:		
(i) Central Hall Capital Improvements.....	\$	6,125,000
(ii) Boiler Replacement.....	\$	2,855,000
(G) Western Oregon University:		
(i) Information Technology Center Renovation.....	\$	5,070,000
(ii) Oregon Military Building Renovation.....	\$	7,335,000
[<i>(i)</i>] (j) Legislative Administration Committee, Capitol Accessibility, Maintenance, and Safety	\$	13,960,000
and Safety	\$	23,660,000
[<i>(j)</i>] (k) Oregon Judicial Department:		
(A) Lane County Courthouse	\$	5,115,000
(B) Multnomah County Courthouse.....	\$	102,495,000
(C) Oregon Supreme Court Building Renovation	\$	6,125,000
[<i>(k)</i>] (L) Oregon Military Department:		
(A) Grants Pass Armory Service Life Extension.....	\$	3,330,000
(B) Regional Armory Emergency Enhancement Project	\$	8,675,000
(C) Regional Training Institute	\$	6,630,000
(D) Resiliency Grant Fund.....	\$	5,070,000
(E) Youth Challenge Armory.....	\$	5,095,000
[<i>(L)</i>] (m) Oregon Youth Authority:		
(A) Capital Improvements	\$	17,450,000
(B) MacLaren West Cottages Renovation	\$	15,450,000
(C) Rogue Valley Facility Improvements	\$	7,095,000
[<i>(m)</i>] (n) State Department of Fish and Wildlife	\$	10,215,000
[<i>(n)</i>] (o) State Forestry Department, Toledo Facility Replacement.....	\$	774,225
Dedicated Fund Obligations		
(7) Department of Veterans' Affairs (Art. XI-A).....	\$	120,000,000
(8) Higher Education Coordinating Commission (Art. XI-F(1)):		
(a) Portland State University:		

(A) Land Acquisition for University Center Building.....	\$	15,260,000
(B) 12th & Market Residence Hall.....	\$	54,225,000
(C) Graduate School of Education Facility	\$	6,080,000
(D) Corbett Building Purchase.....	\$	5,100,000
(b) Oregon Institute of Technology, Student Recreation Center	\$	5,115,000
(c) Eastern Oregon University, Track and Field Facilities [<i>Restoration</i>].....	\$	790,000
Restoration	\$	1,180,000
(d) Western Oregon University, Natural Sciences Building Renovation	\$	3,560,000
(9) Department of Environmental Quality (Art. XI-H).....	\$	10,000,000
(10) Housing and Community Services Department (Art. XI-I(2)).....	\$	25,000,000
(11) Oregon Department of Administrative Services (Art. XI-Q):		
(a) Portland State Office Building Improvements	\$	13,360,000
(b) State Forestry Department, Toledo Facility Replacement.....	\$	1,075,775
Total General Obligation		
<u>Bonds</u>	\$	1,257,310,000
<u>Bonds</u>	\$	1,341,615,000

SECTION 2. Section 2, chapter 570, Oregon Laws 2017, is amended to read:

Sec. 2. The amounts authorized, as provided by ORS 286A.035, for issuance of revenue bonds of the state during the 2017-2019 biennium are as follows:

REVENUE BONDS		
<u>Direct Revenue Bonds</u>		
Housing and Community [<i>Services Department</i>].....	\$	300,000,000
Services Department.....	\$	400,000,000
Oregon Business Development Department.....	\$	30,000,000
Oregon Department of Administrative Services, [<i>Lottery Revenue Bonds</i>]	\$	199,860,000
Lottery Revenue Bonds	\$	221,025,000
Total Direct Revenue		
<u>Bonds</u>	\$	529,860,000
<u>Bonds</u>	\$	651,025,000
<u>Pass-Through Revenue Bonds</u>		
Oregon Business Development Department, Industrial Development Bonds	\$	400,000,000
Oregon Business Development Department, Beginning and Expanding Farmer Loan Program.....	\$	10,000,000
Oregon Facilities Authority	\$	1,350,000,000
Housing and Community [<i>Services Department</i>].....	\$	325,000,000
Services Department.....	\$	600,000,000
Total Pass-Through Revenue		
<u>Bonds</u>	\$	2,085,000,000
<u>Bonds</u>	\$	2,360,000,000

[Total Revenue Bonds..... \$ 2,614,860,000]
Total Revenue Bonds..... \$ 3,011,025,000

SECTION 3. Section 3, chapter 570, Oregon Laws 2017, is amended to read:

Sec. 3. The amount authorized, as provided by ORS 286A.035, for issuance of certificates of participation and other financing agreements of the state during the 2017-2019 biennium for the Oregon Department of Administrative Services is *[\$110,985,000]* **\$127,985,000.**

SECTION 4. Section 5, chapter 748, Oregon Laws 2017, is amended to read:

Sec. 5. (1) For the biennium beginning July 1, 2017, at the request of the Oregon Department of Administrative Services, after the department consults with the Water Resources Department, the State Treasurer is authorized to issue lottery bonds pursuant to ORS 286A.560 to 286A.585 in an amount that produces *[\$20,700,000]* **\$25,850,000** in net proceeds and interest earnings for the purposes described in subsection (2) of this section, plus an additional amount estimated by the State Treasurer to be necessary to pay bond-related costs.

(2) Net proceeds of lottery bonds issued under this section must be transferred to the Water Resources Department for deposit in the Water Supply Development Account established in ORS 541.656, in an amount sufficient to provide:

(a) \$15 million in net proceeds and interest earnings to provide grants or loans to evaluate, plan and develop in-stream and out-of-stream statewide water development projects.

(b) \$2.5 million in net proceeds and interest earnings to the City of Carlton to reduce sedimentation and increase water storage capacity at the Panther Creek Reservoir.

(c) *[\$2]* **\$7.15** million in net proceeds and interest earnings to the City of Carlton to replace the city's finished water supply line and reduce water loss.

(d) \$1.2 million in net proceeds and interest earnings to the Santiam Water Control District to complete the Mill Creek Corporate Center irrigation conversion and efficiency project.

(3) The Legislative Assembly finds that the use of lottery bond proceeds will create jobs, further economic development, finance public education or restore and protect parks, beaches, watersheds and native fish and wildlife, and is authorized based on the following findings:

(a) Having adequate drinking water systems, irrigation, drainage and healthy ecosystems enhances community development and supports Oregon's economic growth.

(b) Assisting local governments to mitigate losses resulting from reduced water supply for irrigation and retirement of water rights will enhance community efforts to facilitate and promote economic growth.

SECTION 5. Section 21, chapter 786, Oregon Laws 2013, is amended to read:

Sec. 21. (1) For the biennium beginning July 1, 2013, at the request of the Oregon Department of Administrative Services, after the department consults with the Department of Transportation and the Oregon International Port of Coos Bay, the State Treasurer is authorized to issue lottery bonds pursuant to ORS 286A.560 to 286A.585 in an amount that produces \$10 million in net proceeds and interest earnings for the purpose described in subsection (2) of this section, plus an additional amount estimated by the State Treasurer to be necessary to pay bond-related costs.

(2) Net proceeds of lottery bonds issued under this section *[in an amount sufficient to provide \$10 million in net proceeds and interest earnings]* must be transferred to the Department of Transportation for deposit in the DOT Economic Development Distributions Fund established in section 24 *[of this 2013 Act]*, **chapter 786, Oregon Laws 2013, in an amount sufficient to provide:**

(a) **\$7 million in net proceeds and interest earnings** for distribution to the Oregon International Port of Coos Bay for the purpose of acquiring, constructing or improving the Coos Bay rail link, as defined in ORS 777.915.

(b) **\$3 million in net proceeds and interest earnings for distribution to the Oregon International Port of Coos Bay for acquisition of the Coos Bay rail link rolling stock.**

(3) The Legislative Assembly finds that the use of lottery bond proceeds will create jobs, further economic development, finance public education or restore and protect parks, beaches, watersheds and native fish and wildlife, and is authorized based on the finding that improvements in **and continued operation of** multimodal transportation systems are necessary to facilitate the flow of goods and services to national and international markets through the deep-water port at Coos Bay.

SECTION 6. (1) For the biennium ending **June 30, 2019**, at the request of the Oregon Department of Administrative Services, after the department consults with De Paul Treatment Centers, the State Treasurer is authorized to issue lottery bonds pursuant to ORS 286A.560 to 286A.585 in an amount that produces \$2 million in net proceeds and interest earnings for the purposes described in subsection (2) of this section, plus an additional amount estimated by the State Treasurer to be necessary to pay bond-related costs.

(2) Net proceeds of lottery bonds issued under this section in an amount sufficient to provide \$2 million in net proceeds and interest earnings must be transferred to the department for deposit in the ODAS Economic Development Distributions Fund established under ORS 461.553 for distribution to De Paul Treatment Centers for a new treatment center facility.

(3) The Legislative Assembly finds that the use of lottery bond proceeds will create jobs, further economic development, finance public

education or restore and protect parks, beaches, watersheds and native fish and wildlife, and is authorized based on the finding that individuals increase their potential for self-sufficiency, increase economic productivity and use fewer public resources when they have access to addiction treatment programs and services.

SECTION 7. (1) For the biennium ending June 30, 2019, at the request of the Oregon Department of Administrative Services, after the department consults with Trillium Family Services, the State Treasurer is authorized to issue lottery bonds pursuant to ORS 286A.560 to 286A.585 in an amount that produces \$3 million in net proceeds and interest earnings for the purposes described in subsection (2) of this section, plus an additional amount estimated by the State Treasurer to be necessary to pay bond-related costs.

(2) Net proceeds of lottery bonds issued under this section in an amount sufficient to provide \$3 million in net proceeds and interest earnings must be transferred to the department for deposit in the ODAS Economic Development Distributions Fund established under ORS 461.553 for distribution to Trillium Family Services for construction of a secure adolescent inpatient facility at the Children's Farm Home Corvallis campus.

(3) The Legislative Assembly finds that the use of lottery bond proceeds will create jobs, further economic development, finance public education or restore and protect parks, beaches, watersheds and native fish and wildlife, and is authorized based on the finding that expanding the Children's Farm Home will create jobs in construction and health care.

SECTION 8. (1) For the biennium ending June 30, 2019, at the request of the Oregon Department of Administrative Services, after the department consults with the Higher Education Coordinating Commission, the State Treasurer is authorized to issue lottery bonds pursuant to ORS 286A.560 to 286A.585 in an amount that

produces \$9 million in net proceeds and interest earnings for the purposes described in subsection (2) of this section, plus an additional amount estimated by the State Treasurer to be necessary to pay bond-related costs.

(2) Net proceeds of lottery bonds issued under this section in an amount sufficient to provide \$9 million in net proceeds and interest earnings must be transferred to the Higher Education Coordinating Commission for deposit in the Public University Fund established under ORS 352.450, segregated in a distinct subaccount to allow necessary compliance with the Internal Revenue Code, for distribution to Eastern Oregon University to construct a new field house facility.

(3) The Legislative Assembly finds that the use of lottery bond proceeds will create jobs, further economic development, finance public education or restore and protect parks, beaches, watersheds and native fish and wildlife, and is authorized based on the following findings:

(a) A new facility is needed in order for the university to have adequate instructional and athletic space.

(b) Having adequate university buildings and facilities is essential to Oregon's healthy economic growth.

(c) The field house facility will be used as a venue for regional events, providing significant economic benefits to local communities.

(d) Oregon manufactured wood products, including cross-laminated timber, will be utilized in the construction of the field house facility, supporting Oregon's wood products manufacturing industry.

SECTION 9. This 2018 Act being necessary for the immediate preservation of the public peace, health and safety, an emergency is declared to exist, and this 2018 Act takes effect on its passage.

Approved by the Governor April 3, 2018

Filed in the office of Secretary of State April 3, 2018

Effective date April 3, 2018