

# House Bill 4163

Sponsored by JOINT COMMITTEE ON WAYS AND MEANS

## 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**.

Provides that Higher Education Coordinating Commission, instead of Oregon Department of Administrative Services, receives appropriations to pay bond-related costs of certain Article XI-G bonds.

Provides that commission may enter into agreements with Oregon Health and Science University to receive debt service payments for certain bond obligations and administer certain tax compliance obligations.

Declares emergency, effective on passage.

## A BILL FOR AN ACT

1  
2 Relating to state financial administration; amending ORS 286A.863 and section 23, chapter 121,  
3 Oregon Laws 2014; and declaring an emergency.

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

5 **SECTION 1.** Section 23, chapter 121, Oregon Laws 2014, as amended by section 74, chapter 117,  
6 Oregon Laws 2016, is amended to read:

7 **Sec. 23.** (1) For each biennium in which any part of the OHSU Cancer Challenge Article XI-G  
8 Bonds remain outstanding, the [*Oregon Department of Administrative Services*] **Higher Education**  
9 **Coordinating Commission** shall request that the Governor include in the Governor's budget to the  
10 Legislative Assembly an amount that is sufficient to pay the bond-related costs that become due in  
11 the biennium.

12 (2) The Legislative Assembly shall appropriate to the [*Oregon Department of Administrative*  
13 *Services*] **commission** any moneys made available to pay bond-related costs.

14 (3) Oregon Health and Science University is not obligated to pay the bond-related costs of the  
15 OHSU Cancer Challenge Article XI-G Bonds.

16 **SECTION 2.** ORS 286A.863 is amended to read:

17 286A.863. (1) The Oregon Department of Administrative Services may, in consultation with the  
18 Higher Education Coordinating Commission, adopt rules for the purpose of carrying out ORS  
19 286A.830 to 286A.863, including, but not limited to, establishing:

20 (a) Fees and costs to be paid by public universities or community colleges for administration of  
21 higher education bonds, including reasonable fees and expenses of the State Treasurer as provided  
22 in ORS 286A.014;

23 (b) The form, content and timing of information to be submitted by public universities and  
24 community colleges to be used by the commission and the State Treasurer to evaluate revenue suf-  
25 ficiency for Article XI-F(1) bonds and availability and sufficiency of matching amounts for Article  
26 XI-G bonds; and

27 (c) Standards, terms and conditions for maintaining federal tax benefits related to higher edu-  
28 cation bonds.

**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 (2) The department or the commission, or both, may periodically bill a public university or  
 2 community college, without duplicating costs billed by contract, for the public university's or com-  
 3 munity college's proportional share of costs incurred by the department, or the commission, in con-  
 4 nection with higher education bonds, including, but not limited to:

5 (a) Bond-related costs of higher education bonds issued or proposed to be issued to finance or  
 6 refinance projects of the public university or community college; and

7 (b) Costs of legal or financial consultants or advisors, including, without limitation, bond counsel  
 8 to the State of Oregon, for services that are provided at the request of a public university or com-  
 9 munity college in connection with higher education bonds that are issued or proposed to be issued.

10 (3) The department and the commission may each bill at such intervals as may be established  
 11 in the department's or commission's own procedures and shall deposit the moneys received in the  
 12 applicable bond fund, bond administration fund or other fund relating to higher education bonds, as  
 13 the department or commission determines is appropriate. A public university or community college  
 14 that receives a bill for bond-related costs shall pay the amount billed by the time and in the manner  
 15 designated in the billing statement.

16 (4)(a) The department **or the commission** may enter into agreements with Oregon Health and  
 17 Science University to:

18 (A) Receive payments from Oregon Health and Science University of amounts used to pay debt  
 19 service on bonds issued by the State Treasurer to finance joint projects of Oregon Health and Sci-  
 20 ence University and one or more public universities; or

21 (B) Administer tax compliance obligations of Oregon Health and Science University.

22 (b) Solely for the purposes of receiving payments of amounts used to pay debt service and ad-  
 23 ministering tax compliance obligations related to the bonds, the department **or the commission**  
 24 may be a successor to, or an assignee of, the Oregon University System under agreements between  
 25 Oregon Health and Science University and the Oregon University System.

26 (c) The department **or the commission** may not assume any obligations or liability as the suc-  
 27 cessor to, or assignee of, the Oregon University System under any agreements between Oregon  
 28 Health and Science University and the Oregon University System, except for obligations or liability  
 29 relating to the receipt of amounts used to pay debt service and the administration of tax compliance  
 30 obligations.

31 **SECTION 3. This 2018 Act being necessary for the immediate preservation of the public**  
 32 **peace, health and safety, an emergency is declared to exist, and this 2018 Act takes effect**  
 33 **on its passage.**