

REVENUE: No Revenue Impact

FISCAL: No Fiscal Impact

Action: Do pass as amended; be printed engrossed and be placed on the Consent Calendar.

Vote: 8-0-1

Yeas: Berger, Butler, Gelser, Olson, Read, Rosenbaum, Witt, Barnhart

Nays:

Exc.: Bruun

Prepared By: Paul Warner, Economist

Meeting Dates: 4/11

WHAT THE BILL DOES: Amends statute regarding the Oregon Facilities Authority. Expands Authority's list of institutions eligible for financing to include all qualified non-profits. Expands Authority membership from 5 to 7 and specifies that members serve at the pleasure of the Treasurer. Deletes requirement that no more than 3 members of Authority be from one political party. Updates and clarifies language regarding financial arrangements and instruments.

ISSUES DISCUSSED:

- Nature of Authority projects
- Limits of current statute prevent some non-profit organizations from participating such as the Oregon Food Bank and the Pendleton Round Up.
- Performance of current bond portfolio
- Development of Bond Express program designed to lower costs for smaller bond issuances

EFFECT OF COMMITTEE AMENDMENTS: Adds precise language on capital eligible for financing under the program. Adds emergency clause.

BACKGROUND: The Oregon Facilities Authority was created in 1989. The Authority is set up to recommend the issuance of conduit bonds to finance projects submitted by non-profit organizations. These bonds are repaid through revenue generated by the project itself. The Treasurer issues bonds for the projects based on recommendations from the Authority. The Authority currently consists of 5 members appointed by the Treasurer. Statute requires that at least one of the members be a person knowledgeable in the field of state and municipal finance and one knowledgeable in the building construction field.

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This summary has not been adopted or officially endorsed by action of the committee.