

REVENUE: No revenue impact

FISCAL: No fiscal impact

Action:	Do Pass as Amended and Be Printed Engrossed
Vote:	6 - 0 - 1
Yeas:	Beyer, Burley, Cannon, Macpherson, Smith G., Dingfelder
Nays:	-
Exc.:	Jenson
Prepared By:	Cat McGinnis, Administrator
Meeting Dates:	5/23, 5/30

WHAT THE MEASURE DOES: Modifies laws governing peoples' utility districts (PUD). Clarifies that districts may partner with other utilities and private entities and allows them to issue revenue bonds to acquire new renewable energy resources. Exempts districts from property taxes for the portion of land held jointly with a tax-exempt governmental entity. Expands definition of 'common facilities' to include electricity and services that are owned and operated jointly. Allows districts to become a member of an electric cooperative or of a limited liability company for the generation and transmission of electricity, but prohibits them from becoming a stockholder or lending credit to these entities or exercising the power of eminent domain. Allows districts to acquire, own, trade, sell or transfer renewable energy credits. Removes limit of indebtedness, but specifies that indebtedness can only be incurred for the development, purchase and operation of electric utility facilities or for the purchase of electricity, electrical capacity or renewable energy certificates. Exempts districts from public contracting laws for the purchase of renewable energy facilities.

ISSUES DISCUSSED:

- Benefits of PUD becoming member of limited liability corporation
- Impact on existing tax structure for PUDs

EFFECT OF COMMITTEE AMENDMENT: Resolves conflicts between Senate Bill 812 and Senate Bill 838. Clarifies definition of "common facilities" to include "person." Narrows definition of "electrical capacity" in SB 838-C to mean only those resources needed to shape, integrate, or firm renewable resources. Clarifies that PUD authority to use the Uniform Revenue Bond Act may not be used to involuntarily acquire property of another utility.

BACKGROUND: People's utility district authority is granted by the State Legislature. The districts believe there is a need for revisions in the Oregon Revised Statutes to facilitate their ability to acquire renewable energy sources of electricity and form partnerships with other utilities.