

2007 Regular Legislative Session
FISCAL ANALYSIS OF PROPOSED LEGISLATION
Prepared by the Oregon Legislative Fiscal Office

MEASURE NUMBER: HB 3265 **STATUS:** B-Engrossed
SUBJECT: Reorganization and revision of statutes relating to government borrowings
GOVERNMENT UNIT AFFECTED: State Treasurer, state agencies and local governments with issued public debt
PREPARED BY: Adrienne Sexton
REVIEWED BY: Dallas Weyand
DATE: June 13, 2007

	<u>2007-2009</u>	<u>2009-2011</u>
EXPENDITURES: See Comments.		

REVENUES:
See Comments.

EFFECTIVE DATE: January 1, 2008

GOVERNOR'S BUDGET: This bill is not anticipated by the Governor's recommended budget.

LOCAL GOVERNMENT MANDATE: This bill does not affect local governments' service levels or shared revenues sufficient to trigger Section 15, Article XI of the Oregon Constitution.

COMMENTS: The measure would make numerous revisions to three chapters of Oregon Revised Statutes relating to government borrowings to clarify, simplify, and make consistent, as appropriate, the borrowing authority of Oregon state and local governments. While most of the changes would have no direct fiscal consequence, the State Treasurer would be given more general authority to establish charges through administrative rule to cover the costs of administration of bond programs. The intent of this change is to more accurately allocate costs to the jurisdiction on whose behalf the services are provided.

It cannot be determined at this time which agencies and local governments would be affected in the 2007-09 and 2009-11 biennia by charges not yet established by the Treasurer. Further, it is not known whether costs would increase and if they did, to what extent. Likewise, the revenue effect on the Treasurer is unknown but the agency's expenditures are subject to expenditure limitation established in the budget process. If it were necessary to increase the limitation of the Treasurer in the 2007-09 biennium, this could be done either in a legislative session or by action of the Emergency Board.