

REVENUE: No revenue impact

FISCAL: Fiscal statement issued

Action:	Do Pass as Amended and Be Printed Engrossed and Be Referred to the Committee on Ways and Means by prior reference
Vote:	5 - 0 - 0
Yeas:	Atkinson, Boquist, Hass, Prozanski, Dingfelder
Nays:	0
Exc.:	0
Prepared By:	Beth Herzog, Administrator
Meeting Dates:	2/24, 4/14

WHAT THE MEASURE DOES: Authorizes the State Treasurer to issue Article XI-D bonds at the request of the Department of Energy (ODE) for any of the purposes specified in Article XI-D. Requires that the amount of Article XI-D bonds not exceed the estimated cost of paying, redeeming, or defeasing the refunded bonds in addition to an amount required to pay bond-related costs. Establishes the Renewable Energy Fund and appropriates the funds to ODE for the purpose of financing the acquisition and operation of renewable energy electricity generation and transmission facilities. Establishes the Article XI-D Bond Administration Fund and appropriates the funds to the Department of Administrative Services (DAS) for the purpose of paying bond related costs. Authorizes DAS or ODE to transfer any excess funds in the Renewable Energy Fund to the Article XI-D Bond Fund or the Article XI-D Bond Administration Fund.

ISSUES DISCUSSED:

- Need for energy transmission lines
- Funding for alternative energy sources

EFFECT OF COMMITTEE AMENDMENT: Adds ODE's costs and expenses from issuing, administering and maintaining Article XI-D bonds to the definition of bond-related costs. Includes the costs of surety bonds and similar instruments to the cost of funding reserves for Article XI-D bonds. Changes authorization that allows the State Treasurer to issue Article XI-D bonds at the request of the Director of the ODE for any of the purposes specified in Article XI-D. Authorizes DAS or ODE to transfer any excess funds in the Renewable Energy Fund to the Article XI-D Bond Fund or the Article XI-D Bond Administration Fund.

BACKGROUND: Article XI-D is the result of a ballot measure that was adopted by Oregon voters in 1932. The primary focus of the measure at the time was hydropower. The clear purpose of Article XI-D at the time of adoption was to create an exception to the general rule that the state could not incur debt beyond \$50,000.