

**75TH OREGON LEGISLATIVE ASSEMBLY  
STAFF MEASURE SUMMARY  
SENATE FINANCE AND REVENUE COMMITTEE**

**MEASURE: SB 495 A  
CARRIER: Sen. Burdick**

**REVENUE: Revenue Impact Issued**

**FISCAL: No Fiscal Impact**

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**Action:** Do Pass with Amendments and be Printed A-Eng.

**Vote:** 5-0-0

**Yeas:** Hass, Morse, Rosenbaum, Telfer, Burdick

**Nays:** 0

**Exc.:** 0

**Prepared By:** Dae Baek, Economist

**Meeting Dates:** 4/21, 4/27

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**WHAT THE BILL DOES:** Exempts from property taxation the rights of certain Oregon electric cooperatives to use a portion of the Pacific Northwest AC Intertie to transmit power between the Pacific Northwest and California. Applies to tax years beginning on or after date of execution of agreement and tax years beginning on or after July 1, 2009. Takes effect on 91st day following adjournment sine die.

**ISSUES DISCUSSED:**

- Equitable treatment between Oregon and out-of-state electric co-ops
- Amount of property taxes at issue and affected counties
- Taxability of capacity use agreement

**EFFECT OF COMMITTEE AMENDMENTS:** Limits exemption to an electric cooperative organized under ORS chapter 62.

**BACKGROUND:** In 2005, the Legislature enacted a law that exempted from property taxation any intangible or tangible property, property rights or property interests in or related to the Pacific Northwest AC Intertie, as referenced in a written agreement between the U.S. Energy Department and a city of any state, other than a city in Oregon. The exemption covered out-of-state, city-owned utilities without the nexus or physical presence in Oregon that were transmitting excess power over the Pacific Northwest AC Intertie to geographic areas outside of Oregon.