

**75TH OREGON LEGISLATIVE ASSEMBLY
STAFF MEASURE SUMMARY
HOUSE REVENUE COMMITTEE**

**MEASURE: SB 495 B
CARRIER: Rep. Barnhart**

REVENUE: Revenue Impact Issued

FISCAL: No Fiscal Impact

Action: Do Pass with Amendments and be Printed B-Engrossed.

Vote: 7-2-1

Yeas: Bailey, Bentz, Kahl, Read, Riley, Sprenger, Barnhart

Nays: Berger, Bruun

Exc.: Gelser

Prepared By: Dae Baek, Economist

Meeting Dates: 5/26, 5/28

WHAT THE BILL DOES: Eliminates property tax exemption for an out-of-state city or an out-of-state public entity of 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 the city or the public entity. Applies to tax years beginning on or after July 1, 2009. Takes effect on 91st day following adjournment sine die.

ISSUES DISCUSSED:

- Issues surrounding the legislation of the 2005 law that exempted property tax for out-of-state city or out-of-state public entities for the use of the Pacific Northwest AC Intertie

EFFECT OF COMMITTEE AMENDMENTS: Replaces SB 495A and accomplishes the bill description above.

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 or a public entity of any state other than 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.