

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

**MEASURE: SB 832 B
CARRIER: Rep. Benz**

**REVENUE: No - Revenue Impact
FISCAL: No- Fiscal Impact**

Action: Do Pass as Amended and be Printed B-Engrossed

Vote: 9-0-1

Yeas: Bailey, Bentz, Berger, Bruun, Gelser, Read, Riley, Sprenger, Barnhart

Nays: 0

Exc.: Kahl

Prepared By: **Mazen Malik**, Economist

Meeting Dates: 06/16, 06/17

WHAT THE BILL DOES: Creates Oregon Short Term Fund. Revises provisions governing investment of moneys by State Treasurer. Introduces requirements and fixes current collateral pool statutes and requirements for public funds. Changes and shortens timelines in reporting by the banks to the state officials and the treasury when changes occur, that might affect securing uninsured public deposit. Permits the investing of the highway funds and lottery funds in the short-term fund. Allows the state treasury more investment flexibility, changes reporting requirements, repeals ORS 295.087, and declares an emergency.

ISSUES DISCUSSED:

- The connection of the bill with SB 62 that went to ways and means committee.
- The sections from SB 62 that do not have to deal with rates.
- What the house keeping section from the previous sessions rewrite.
- The collateral pool statutes are essential for safety of public funds.

EFFECT OF COMMITTEE AMENDMENTS: Allows the highway fund and lottery fund to be invested in the short-term fund.

BACKGROUND:

Funds and Money kept with the State Treasurer and not specifically intended for investments are kept in the short-term account without a specific fund to include them. This measure creates the Oregon Short term fund, and authorizes the funds to be included in it (Section 19). Changes the reporting requirements to GAAP, and reduce the requirements in other places(Section 21). Sections 1-16 are the collateral pool. Section 17 is a lottery bond fix correcting an oversight from last session and eliminating language that should have been eliminated then. Conforming amendment in Section 24 and Section 20, 26, 27, 28 and 29 is a reflection of the change in section 19 and eliminating archaic language. Section 22 is the e-commerce change clarifying the Treasurer's role relative to e-commerce and banking. Section 23 is the correction to an unused property tax deferral program at the request of DOJ. Section 25 has the changes to the local government investment statutes where we authorize the purchase of the new FDIC guaranteed paper (TLGP notes) and eliminate the reference to mutual funds. Section 30 conforms to the changes in Section 25.

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