

**REVENUE IMPACT OF
PROPOSED LEGISLATION**
75th Oregon Legislative Assembly
2010 Special Session
Legislative Revenue Office

Bill Number:	SB 5564 A
Revenue Area:	Revenue Bonds
Economist:	Mazen Malik
Date:	02/22/2010

Measure Description:

Allows the Department of Transportation to increase the amount of revenue bonds it was authorized to issue by \$60,000,000. The proceeds from these bonds will be used to pay for costs associated with the Department's headquarters building renovation project and the Oregon Wireless Interoperability Network.

Revenue Impact:

Revenue Bonds		2009-11	2011-13	2013-15
ODOT (Infrastructure Fund)	Total Issuance	\$60,000,000		
	Debt service	\$ (3,572,000)	\$ (9,526,000)	\$ (9,526,000)
Revenue Bonds expenses &	Cost of Issuance	\$ (612,220)		
Total Revenue		\$ 55,815,780	\$ (9,526,000)	\$ (9,526,000)

Impact Explanation:

The Joint Committee on Ways and Means increased the Department of Transportation's issuance authority for the Oregon Transportation Infrastructure Fund by \$60 million to reflect anticipated increases in program needs including use of bond proceeds to finance the Department's headquarters building renovation project and the Oregon Wireless Interoperability Network (see LFO Report). Bonds are assumed to mature in 20 years and tax-exempt with a rate 5%. The total Issuance number includes the issuance costs and any reserves. When bonds are sold towards the middle or end of the biennium their debt service might not begin until very late in the biennium, however three quarterly payments of debt service are assumed in 2011.

Creates, Extends, or Expands Tax Expenditure: Yes No