



Oregon State Senate  
Finance and Revenue Committee

MEASURE: HB 2563 -A7  
EXHIBIT: 5  
Senate Finance and Revenue 76<sup>th</sup> Session  
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SUBMITTED BY: Glenn Montgomery

HB 2563 Public Comments  
June 15, 2011

Dear Chair Burdick, Vice-Chair Morse, and members of the Finance and Revenue Committee:

Oregon Solar Energy Industries Association (OSEIA) is a non-profit trade group established in 1981 that represents a diverse constituency from the sole proprietor who installs solar hot water and photovoltaic systems on residential rooftops to manufacturers shipping product around the globe, such as SolarWorld in Hillsboro, PV Powered in Bend, and Sanyo Solar in Salem.

OSEIA supports HB 2563 and its latest amendments for the following reasons:

- 1) It affirms Oregon's long standing commitment to renewable energy at a time when public funds are scarce and there is dwindling support for programs that support the deployment of renewable energy;
- 2) It clarifies the legislature's intent to allow all eligible renewable energy projects, regardless of their financing model, to enjoy a property tax exemption that has been in statute since the late 1970s. This is particularly important for municipalities, school districts, non-profits and churches that often rely on third-party financing. Under current statute, third-party financed installations are deemed ineligible for the tax exemption by the Department of Revenue.
- 3) The revenue impact to local governments is small in comparison to the economic development benefits and long-term energy savings associated with these renewable energy systems.
- 4) The fiscal impact to the state should be zero.
- 5) The amended language is the result of a multi-stakeholder effort which included the Department of Revenue, Associated Oregon Counties, OSEIA, Pacific Power, PGE and others who are directly impacted by the current interpretation of statute.

HB 2563 is a sensible measure to support renewable energy development with little to no fiscal impact to the state.

I urge the committee to pass HB 2563 as amended.

Respectfully submitted,

Glenn Montgomery, OSEIA Executive Director