

FISCAL IMPACT OF PROPOSED LEGISLATION

Measure: SB 57

Seventy-Sixth Oregon Legislative Assembly – 2011 Regular Session
Legislative Fiscal Office

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Measure Description:

Authorizes Oregon Business Development Commission to use revenue bonds to finance economic development projects that provide for generation, transmission, sale or distribution of electrical energy.

Government Unit(s) Affected:

Business Development Department (Business Oregon) (OBDD)

Summary of Expenditure Impact – See Comments

Local Government Mandate:

This bill [may] [does not] affect local governments' service levels or shared revenues sufficient to trigger Section 15, Article XI of the Oregon Constitution.

Analysis:

SB 57 removes language that excludes facilities that generate, transmit, sell or distribute electrical energy from eligibility for financing under the Industrial Development Bond program. This language has restricted OBDD's ability to issue Industrial Development Bonds to finance economic development projects. Removal of this language should allow OBDD to expand its support of clean energy and technology projects. Industrial Development Bonds are conduit bonds authorized under federal and state law. The state (through the Oregon Business Development Department) issues the bonds on a tax-exempt basis, but the state does not assume responsibility for repayment of the bonds. That responsibility lies with the businesses that receive the bond proceeds.