

**76TH OREGON LEGISLATIVE ASSEMBLY
STAFF MEASURE SUMMARY
HOUSE REVENUE COMMITTEE**

**MEASURE: SB 20 A
CARRIER: Rep. Wand**

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

Action: Do Pass
Vote: 7-0-1
Yeas: Bentz, Brewer, Gelser, Read, Wand, Barnhart, Berger
Nays: 0
Exc.: Bailey

Prepared By: Mazen Malik, Economist
Meeting Dates: 5/16, 5/18

WHAT THE BILL DOES: Authorizes public bodies that borrow money under provisions of ORS chapter 287A to issue refunding bonds to purchase outstanding bonds of public body. Makes other procedural changes related to issuance of bonds generally. Authorizes hospital facility authorities to issue refunding bonds to convert, purchase or restructure outstanding bonds. Restructures authority of sanitary districts to issue bonds.

ISSUES DISCUSSED:

- Housekeeping and clarification
- Refinance and refund, replace existing bonds
- Procedures and perspective
- Difficulties of municipal bonding and debt in 2009 and 2010
- Change of time for contesting from 60 days after publication to 60 days after adoption of ordinance (the slight policy decision)

EFFECT OF COMMITTEE AMENDMENTS:

BACKGROUND:

The Municipal Debt Advisory Commission (MDAC) – which includes local government finance representatives as well as public members and a designee of the State Treasury brings issues in local government bonding issues to the legislature every session. This measure attempts to give local governments the ability to repurchase/refinance its bonds which allow them to take advantage of interest rate changes. Conforms timeline for changes (end of sec 3). Includes sanitary districts under the ORS 287A less restrictive definitions and conditions. The amendment removes the requirement for limiting the authority for refinancing without going again to the voters.