

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

**MEASURE: SB 57
CARRIER: Rep. Brewer**

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

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

Prepared By: Mazen Malik, Economist
Meeting Dates: 4/1, 4/6

WHAT THE BILL DOES: Authorizes Oregon Business Commission to use revenue bonds to finance projects for electric energy generation, transmission, sale or distribution.

ISSUES DISCUSSED:

- History of not allowing electric utility.
- Natural monopolies of the utility business model.
- Federal allowance to use the bonds.
- \$10 million limit and small projects.
- The private sector and the government investment in clean energy.
- Private activity bonds.

EFFECT OF COMMITTEE AMENDMENTS:

BACKGROUND:

Industrial Development Bonds are tax-exempt conduit bonds issued by the state. They help Oregon companies by providing long-term financing for land, buildings and equipment for economic development purposes. Current statute (ORS 285B.323) makes facilities that are designed primarily for the generation, transmission, sale or distribution of electrical energy ineligible for Industrial Development Bonds. This language has restricted Oregon Business Development Department's (OBDD) 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.