

House Bill 2006

Sponsored by Representative G SMITH

SUMMARY

The following summary is not prepared by the sponsors of the measure and is not a part of the body thereof subject to consideration by the Legislative Assembly. It is an editor's brief statement of the essential features of the measure **as introduced**.

Allows electric utility that is member of Boardman impacted utility to remain small electric utility for purposes of meeting renewable portfolio standard if utility serves no more than 25,000 retail electricity consumers and is located in Umatilla, Morrow or Union County.

Authorizes Governor to request lottery bonds for \$4 million to mitigate economic impacts from closure of Boardman plant if plant closes before 2019.

Establishes Boardman Plant Closure Local Impact Fund. Continuously appropriates moneys in fund to Water Resources Department for specified purposes.

Declares emergency, effective on passage.

A BILL FOR AN ACT

1
2 Relating to Boardman power generation facility; appropriating money; and declaring an emergency.

3 **Be It Enacted by the People of the State of Oregon:**

4 **SECTION 1. Section 2 of this 2011 Act is added to and made a part of ORS 469A.005 to**
5 **469A.210.**

6 **SECTION 2. (1) As used in this section, "Boardman impacted utility" means a cooperative**
7 **corporation that is the holder of a minority ownership interest in the coal-fired power gen-**
8 **eration facility located in Boardman, Oregon, as of the effective date of this 2011 Act.**

9 **(2) An electric utility shall remain subject to the provisions of ORS 469A.055, and may**
10 **not be subject to the provisions of ORS 469A.052, if the electric utility makes sales of elec-**
11 **tricity to 25,000 or fewer retail electricity consumers, serves retail electricity consumers in**
12 **Umatilla, Morrow or Union County and is a member of a Boardman impacted utility.**

13 **SECTION 3. (1) If the Governor certifies that the coal-fired power generation facility lo-**
14 **cated at Boardman, Oregon, has been permanently closed and is no longer generating elec-**
15 **tricity, the Governor shall include in the Governor's next budget report a request for the**
16 **issuance of lottery bonds pursuant to ORS 286A.560 to 286A.585, for the subsequent biennium,**
17 **in an amount not to exceed net proceeds of \$4 million for the purpose described in subsection**
18 **(2) of this section, plus an additional amount, to be estimated by the State Treasurer, for**
19 **payment of bond-related costs.**

20 **(2) Net proceeds of bonds issued pursuant to this section must be deposited in the**
21 **Boardman Plant Closure Local Impact Fund established in section 5 of this 2011 Act for**
22 **mitigating the economic impacts from closure of the Boardman electricity generation plant**
23 **to Morrow County and its population.**

24 **(3) Bond-related costs for the lottery bonds authorized by this section must be paid from**
25 **the gross proceeds of the lottery bonds and from allocations for the purposes of ORS**
26 **286A.576 (1)(c).**

27 **SECTION 4. The Legislative Assembly finds that:**

28 **(1) Closure of the Boardman electricity generation plant will have a negative economic**

NOTE: Matter in **boldfaced** type in an amended section is new; matter *[italic and bracketed]* is existing law to be omitted. New sections are in **boldfaced** type.

1 impact upon Morrow County, where the plant is located.

2 (2) The commitment of the State of Oregon will help to mitigate and offset negative im-
3 pacts to the county and its population by providing moneys for the continued growth and
4 economic development of Morrow County.

5 (3) The commitment described in subsection (2) of this section will encourage and pro-
6 mote job creation and economic development within the State of Oregon, and issuance of
7 lottery bonds to finance the Boardman Plant Closure Local Impact Fund established by sec-
8 tion 5 of this 2011 Act is therefore an appropriate use of state lottery funds under section
9 4, Article XV of the Oregon Constitution, and ORS 461.510.

10 **SECTION 5.** (1) The Boardman Plant Closure Local Impact Fund is established in the
11 State Treasury, separate and distinct from the General Fund. Interest earned on moneys in
12 the Boardman Plant Closure Local Impact Fund shall be credited to the fund. The fund
13 consists of moneys deposited in the fund under section 3 of this 2011 Act, and may include
14 fees, revenues or other income deposited in the fund by the Legislative Assembly for the
15 mitigating of economic impacts from the closure of the Boardman electricity generation
16 plant. Moneys in the fund are continuously appropriated to the Water Resources Department
17 for the purposes described in subsection (2) of this section.

18 (2) Moneys in the fund may be used to:

19 (a) Provide grants to local governments, businesses and individuals within Morrow
20 County who can demonstrate an adverse economic impact resulting from the termination
21 of power production at the Boardman plant;

22 (b) Pay the costs of the department to administer the fund; and

23 (c) Pay bond-related costs, as defined in ORS 286A.560.

24 (3) A person or entity qualifying for a grant under subsection (2)(a) of this section may
25 use the grant for:

26 (a) Replacement of lost property tax revenues for a period of five years;

27 (b) Job training and education for terminated employees of the Boardman plant and
28 contractors of the Boardman plant; or

29 (c) Assistance to small businesses.

30 **SECTION 6.** Sections 3 to 5 of this 2011 Act are repealed on January 2, 2019, if the Gov-
31 ernor has not certified that the coal-fired power generation facility located at Boardman,
32 Oregon, has been permanently closed and is no longer generating electricity on or before
33 December 31, 2018.

34 **SECTION 7.** This 2011 Act being necessary for the immediate preservation of the public
35 peace, health and safety, an emergency is declared to exist, and this 2011 Act takes effect
36 on its passage.

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