

PRELIMINARY STAFF MEASURE SUMMARY**CARRIER:**

Senate Committee on Veterans and Emergency Preparedness

REVENUE: No revenue impact (-1 amendment)**FISCAL:** May have fiscal impact, statement not yet issued (-1 amendment)**SUBSEQUENT REFERRAL TO:** Ways and Means**Action:****Vote:****Yeas:****Nays:****Exc.:****Prepared By:** Cheyenne Ross, Administrator**Meeting Dates:** 3/21, 3/28**WHAT THE MEASURE DOES:** Moves seismic rehabilitation grant program from Office of Emergency Management (OEM) to Department of Administrative Services (DAS).**ISSUES DISCUSSED:**

- Success of program under OEM
- Negative effect of debt management
- Appropriateness of relocation to Infrastructure Finance Authority

EFFECT OF COMMITTEE AMENDMENT:

[-1 amendment] Replaces DAS with Oregon Business Development Department, Infrastructure Finance Authority, and adds a representative of the Confederation of Oregon School Administrators to the grant committee.

BACKGROUND: The seismic rehabilitation grant program provides funding for K-12 public schools, community colleges, education service districts, hospitals, fire stations, police stations, sheriff's offices, and other emergency services facilities, to reimburse eligible seismic improvement activities, within certain parameters. It is currently administered by the Office of Emergency Management, and thus far, \$11.2 million in bond proceeds have financed the seismic rehabilitation of 18 emergency services buildings. Fourteen projects are complete or nearing completion and the remaining four are underway; however, the agency is adversely affected during the budget process, due to accounting for debt management that is solely attributable to the program.

For the next biennium, the Governor's budget authorizes the sale of \$15 million general obligation bonds for emergency services buildings and adds two full-time equivalent positions, while transferring the program from OEM to the Oregon Business Development Department (OBDD). The corresponding legislative measures are House Bill 2176 (2013), authorizing Treasury bonds for the next biennium, and Senate Bill 813, to transfer administrative authority from OEM to OBDD.