

**REVENUE IMPACT OF  
PROPOSED LEGISLATION**  
Seventy-Seventh Oregon Legislative Assembly  
2013 Regular Session  
Legislative Revenue Office

Bill Number: HB 3464 - A  
Revenue Area: Lottery Bonds  
Economist: Mazen Malik  
Date: 07/05/20`3

*Only Impacts on Original or Engrossed  
Versions are Considered Official*

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**Measure Description:**

Modifies schedule and conditions for issuance of lottery bonds to pay costs of Coos Bay Channel Project.

**Revenue Impact (in \$Millions):**

The projects are not expected to start till July-2015, thus no impact on the 2013-15 biennium. Lottery Funds debt service is a reduction in revenue transferred to other uses, and is estimated to be (\$1.4) million in 2015-17 and (\$6.3) in 2017-19. Debt service would level off at (\$9.9) million through 2036 reducing somewhat through final maturity in 2038.

**Impact Explanation:**

The Port is continuing the Coos Bay Channel Project, and is anticipating completion of the FS/EIS in early 2015. At that time the Port will pursue the next increment of lottery bond funding to continue with the engineering design component of the Coos Bay Channel Project. Upon completion of that phase, the Port will seek the third increment of financing to support construction of the modified Coos Bay channel. This measure re-authorizes debt issuance that had been previously approved. However, authority for one biennium has already lapsed. Neither authorization has been included in bond issuance authorization legislation currently in effect, moreover, neither was this project contemplated by the State Debt Policy Advisory Committee (SDPAC) in projections of future debt capacity. Therefore, the impact should include all projected debt service from the proposed reauthorizations.

Assuming that the financing be accomplished in two mid-biennium sales, one in May 2016 and the other in May 2018, the Lottery Funds debt service is estimated to be \$1,356,800 in 2015-17 and \$6,305,800 in 2017-19. Debt service would level off at \$9,906,000 through 2036 reducing somewhat through final maturity in 2038. Cost of issuance (services and supplies) is projected to be \$280,340 and \$639,516 in 2015-17 and 2017-19 respectively.

**Creates, Extends, or Expands Tax Expenditure:**      Yes  No

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