77th OREGON LEGISLATIVE ASSEMBLY – 2014 Regular Session STAFF MEASURE SUMMARY

Senate Committee on Rural Communities & Economic Development

REVENUE: No revenue impact FISCAL: Fiscal statement issued

Action: Do Pass with Amendments to the A-Engrossed Measure. (Printed B-Engrossed)

Vote: 4 - 0 - 1

Yeas: Baertschiger Jr, Close, Prozanski, Roblan

Nays: 0 Exc.: Burdick

Prepared By: Beth Patrino, Administrator

Meeting Dates: 2/20

WHAT THE MEASURE DOES: Establishes Public Infrastructure Commission to identify Oregon's public infrastructure needs, review and examine tools available to provide funding for public infrastructure projects, research innovative financing tools, determine legal impediments, and receive determinations from State Treasurer. Requires government entities preparing infrastructure projects with total capital expenditure exceeding \$50 million, of which at least \$20 million is awarded by Legislative Assembly or state agency, to submit description of proposed project to State Treasurer in early stage of project planning. Specifies that State Treasurer or designee will screen project to determine whether it would benefit from private capital and innovative procurement methods. Provides exceptions. Sunsets provisions on January 2, 2016. Directs Governor and State Treasurer to appoint representatives to West Coast Infrastructure Exchange. Declares emergency, effective on passage.

MEASURE: HB 4111 B

CARRIER: Sen. Roblan

ISSUES DISCUSSED:

- Public infrastructure needs in Oregon
- Importance of innovative financing
- Provisions of amendment

EFFECT OF COMMITTEE AMENDMENT: Clarifies exception from screening process.

BACKGROUND: The American Society of Civil Engineers' Oregon Infrastructure Report Card gives Oregon a "C-minus," citing 135 high-hazard dams, 433 structurally deficient bridges, and 65 percent of roads at poor or mediocre quality, the latter costing the average motorist \$173 per year. The report card also indicates an estimated \$2.8 billion in anticipated need over the next 20 years to address drinking water infrastructure and \$3.8 billion during the same period needed to address waste water infrastructure. The executive branches of Oregon, California, Washington and British Columbia formed the West Coast Infrastructure Exchange (WCX) to identify new methods for financing and facilitating infrastructure development to address these needs. In 2013, the Legislative Assembly enacted House Bill 2345, creating the Oregon Innovation in Infrastructure Task Force to make recommendations regarding innovative practices related to public infrastructure, as well as a recommendation regarding Oregon's participation in the WCX.

House Bill 4111 B would establish the Public Infrastructure Commission and direct the State Treasurer to screen a project to determine whether it would benefit from private capital and innovative procurement methods.