

House Committee On Rural Communities, Land Use, and Water

Fiscal: Fiscal impact issued

Revenue: No Revenue Impact

Action Date: 02/19/15

Action: Do Pass As Amended, Be Printed Engrossed, And Bill Be Referred To Ways And Means.

Meeting Dates: 02/17, 02/19

House

Yeas: 7 - Clem, Gilliam, Gomberg, Witt, McLane, Post, Helm

Prepared By: Ian Davidson, Committee Administrator

WHAT THE MEASURE DOES:

Defines key terms. Authorizes Oregon Infrastructure Finance Authority (IFA) to provide loans or grants for levee project. When considering project eligibility, IFA must find that levee project substantially contributes to improvement, expansion, or repair of state's or municipality's infrastructure system and is essential for use of development of farms, industrial, or commercial land in Oregon. Authorizes Water Resources Department to inspect, evaluate and assess condition of levee with permission of levee's owner. Maintains legal liabilities of levee's owners. Declares emergency, effective on passage.

ISSUES DISCUSSED:

- Difficulty of acquiring insurance
- Importance of Financial Partnerships

EFFECT OF COMMITTEE AMENDMENT:

Adds "corporations or companies for drainage or flood control" to list of organizations that may receive financial assistance in the form of loan or grants for a levee project.

BACKGROUND:

The National Flood Insurance Program (NFIP), managed by the Federal Emergency Management Agency (FEMA), is aimed at reducing the impact of flooding on private and public structures. This is achieved by providing affordable insurance for qualifying property owners and by encouraging communities to adopt and enforce floodplain management regulations. Many levees in Oregon are in need of inspection or repair in order to maintain FEMA's accreditation under the National Flood Insurance Program. Previously, inspections were performed by the Army Corps of Engineering, however, private engineering firms, which charge higher fees to cover liability insurance payments, are presently conducting the inspections.

House Bill 2436A would authorize the Oregon Infrastructure Finance Authority (IFA) to provide loans or grants for levee projects. When considering project eligibility, IFA must find that the levee project substantially contributes to the improvement, expansion, or repair of the state's or municipality's infrastructure system and is essential for use of development of farms, industrial, or commercial land in Oregon. Additionally, House Bill 2436A would authorize the Water Resources Department to inspect, evaluate, and assess the condition of a levee with the permission of the levee's owner. House Bill 2436 would also maintain the legal liabilities of a levee's owners.