

STAFF MEASURE SUMMARY

Senate Committee On Finance and Revenue

Fiscal: No Fiscal Impact

Revenue: No Revenue Impact

Action Date: 04/09/15

Action: Do Pass With Amendments. (Printed B-Eng.)

Meeting Dates: 04/02, 04/08, 04/09

Vote:

Yeas: 5 - Baertschiger Jr, Boquist, Edwards, Hass, Riley

Prepared By: Mazen Malik, Senior Economist

WHAT THE MEASURE DOES:

Modifies meeting schedule for State Debt Policy Advisory Commission to annually from every six months. Establishes the long-term forecast of the state's borrowing capacity targets to be at least for six years, and to make it consistent with the revenue forecast of the Oregon Department of Administrative Services.

ISSUES DISCUSSED:

- Meeting frequency of the commission.
- Members of the commission and their background.
- Statutory references to long term.
- Ten years or six years and how it relates to the forecast of the state economist and the state budget.

EFFECT OF COMMITTEE AMENDMENT:

The amendment changes the time horizon from "long term" forecast to, "at least 6 years" and makes it consistent with the forecast of the Department of Administrative Services.

BACKGROUND:

ORS 286A.250(7) requires SDPAC to meet at least twice a year. Meeting twice a year has not been the practice, and the commission as operated with annual meetings. The duties of the commission (SDPAC) are stipulated in **286A.255**

Functions and duties of commission. The State Debt Policy Advisory Commission shall advise the Governor and the Legislative Assembly regarding policies and actions that enhance and preserve the state's credit rating and maintain the future availability of low-cost capital financing. In carrying out this function, the commission shall at least annually prepare a report showing the consolidated bond profile of this state. The report must include:

- (1) The total amount of outstanding bonds for the most recently concluded fiscal year.
- (2) A six-year forecast of the state's borrowing capacity targets by repayment source based on the policies and actions established under this section.
- (3) A calculation of the state's net remaining borrowing capacity by repayment source.