

STAFF MEASURE SUMMARY

House Committee On Transportation and Economic Development

Fiscal: Fiscal impact issued**Revenue:** No Revenue Impact**Action Date:** 04/17/15**Action:** Do Pass With Amendments, Be Printed Engrossed And Be Referred To Ways And Means By Prior Reference.**Meeting Dates:** 04/08, 04/17**Vote:**

Yeas: 6 - Bentz, Davis, Gorsek, Lively, McKeown, McLain

Exc: 1 - Hack

Prepared By: Patrick Brennan, Committee Administrator

WHAT THE MEASURE DOES:

Adds engineer as 13th member of Public Infrastructure Commission established by House Bill 4111 (2014). Specifies that Department of Administrative Services, rather than State Treasurer, is to coordinate with Commission. Changes date of required report to Legislative Assembly to January 15, 2016. Extends the sunset of the Commission to July 1, 2016.

ISSUES DISCUSSED:

- Purpose and activities of the Public Infrastructure Commission
- Pervasive infrastructure needs in Oregon and nationwide

EFFECT OF COMMITTEE AMENDMENT:

Replaces original measure.

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 relating to public infrastructure, as well as a recommendation regarding Oregon's participation in the WCX. House Bill 4111-A (2014) was the final product of the Task Force.

The Task Force reviewed various methods available to encourage and utilize private financing for the construction of public infrastructure projects. Unlike privatization, which involves a private business entity building and operating a facility and setting fees for the use of the facility, private financing maintains public ownership of the facility, though it can allow for a contract with a private entity for operations and maintenance. The Task Force received information from entities such as Partnerships B.C., which utilize private financing tools for infrastructure development, in preparing its recommendations. House Bill 4111 (2014) created the Public Infrastructure Commission as a response to the work of the Task Force.