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To: SENR Exhibits

Subject: SB 172 Public Comments

Date: Tuesday, February 14, 2017 4:15:07 PM

Comments regarding the above bill.

Tax credits are an expensive method of encouraging behavior. As we have learned through the Department of Energy problems, they are costly to administer, easily abused, result in a pay-back period that does not begin until 2 years past enactment and in this case extends for 5 years past the end of the program. Given the high rate of increase in the Oregon budget and burden that will place on the taxpayers, all tax credits should be carefully considered prior to enactment or extension.

In this case specifically, the concern I have is that according to the Oregon Department of Fish and Wildlife, maintenance of the existing screens is costly and in many instances not occurring. While I have no disagreement with the value of fish screens, there are actions needed prior to encouraging additional screens being installed. The Department of Fish and Wildlife should identify of the existing fish screens, the number that are in need of maintenance or repair and develop a plan to make that occur. Prior to installing new fish screens which would be subsidized by taxpayers, a policy should be developed which requires agreement with the landowners regarding who is responsible for maintaining and repairing the screens and methods to assure compliance. I believe that a grant which would support repair of existing screens would produce more positive outcomes at a reduced price than installing new screens with no assurance they will be maintained.

In addition, if the legislature is going to use tax credits in spite of the negative consequences, there should be a limit on the amount of credits being approved and once that amount is reached, the program should end. Tax credits should also not go to state agencies. It makes no sense to issue tax credits to agencies and allow them to sell the credits. If there is an intent to make money available to agencies to install fish screens, it should be reflected in their budget.