

HB 2687 STAFF MEASURE SUMMARY

House Committee On Veterans and Emergency Preparedness

Action Date: 02/14/17
Action: Do pass. Refer to Ways and Means.
Vote: 6-0-1-0
Yeas: 6 - Esquivel, Evans, Lively, Meek, Parrish, Post
Exc: 1 - Boone
Fiscal: Fiscal impact issued
Revenue: Revenue impact issued
Prepared By: Bradley Volk, LPRO Analyst

WHAT THE MEASURE DOES:

Creates a grant program administered by the Office of Emergency Management (OEM) and funded by Article XI-Q bonds up to \$10 million, to enable the purchase and distribution of emergency preparedness equipment throughout the state by local governments, special government bodies, and private organizations that qualify for federal tax-exempt status. Directs the Homeland Security Council to develop a list of needed equipment. Exempts equipment acquisition from the Public Contracting Code. Requires OEM and the grant recipient to enter into an agreement. Directs OEM to conduct inspections as specified. Requires recipients to maintain federal tax benefits related to tax-exempt bonds, and to indemnify the state in case of loss of such benefits. Declares emergency, effective on passage.

ISSUES DISCUSSED:

- Emergency preparedness at local and regional levels
- Dependence of rural areas on special districts
- How the program might operate
- Debt financing of equipment versus cash purchase; amortization; current interest rates

EFFECT OF AMENDMENT:

No amendment.

BACKGROUND:

Local jurisdictions may not have the resources to obtain needed emergency preparedness equipment. A central part of state emergency planning is understanding that the Cascadia subduction zone, running from northern California to Canada just off the west coast, poses a devastating threat to life and property in the Pacific Northwest. A large offshore earthquake and corresponding tsunami could strike at any time and the state is presently not prepared for such events. Being prepared for a worst-case scenario would also enable the state to respond to lesser events.

House Bill 2687 creates a grant program funded by bonds as authorized by Article XI-Q of the Oregon Constitution to distribute or purchase emergency equipment at the local level.