

**SB 695 A STAFF MEASURE SUMMARY**

**Carrier:** Sen. Roblan

**Senate Committee On Finance and Revenue**

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**Action Date:** 05/09/19

**Action:** Do pass the A-Eng bill.

**Vote:** 3-0-0-2

**Yeas:** 3 - Hass, Riley, Taylor

**Abs:** 2 - Bentz, Boquist

**Fiscal:** No fiscal impact

**Revenue:** No revenue impact

**Prepared By:** Mazen Malik, Senior Economist

**Meeting Dates:** 4/2, 5/9

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**WHAT THE MEASURE DOES:**

Eliminates the cap on the amount of debt that a port may incur by promissory note and the five-year term limit on such notes. Removes the five-year term limit on promissory notes issued by a port.

**ISSUES DISCUSSED:**

- Examples of how it should work.
- The financial limitation of the low cap.
- What secures the payments?

**EFFECT OF AMENDMENT:**

No amendment.

**BACKGROUND:**

There are 23 ports in Oregon. They provide different services to residents and businesses in Oregon. A "promissory note" is "an instrument that evidences a promise to pay a monetary obligation, does not evidence an order to pay, and does not contain an acknowledgment by a bank that the bank has received for deposit a sum of money or funds." (Oregon Uniform Commercial Code, ORS 79.0102 UCC 9-102)

This measure would eliminate the cap on the amount of debt that a port may incur by promissory note, as well as the five-year term limit.