

House Bill 2763

Sponsored by Representative GAMBA, Senator GOLDEN, Representative WALTERS; Representatives HUDSON, NELSON, PHAM K, Senators CAMPOS, DEMBROW, FREDERICK, JAMA (Presession filed.)

SUMMARY

The following summary is not prepared by the sponsors of the measure and is not a part of the body thereof subject to consideration by the Legislative Assembly. It is an editor's brief statement of the essential features of the measure **as introduced**.

Establishes State Public Bank Task Force. Directs task force to study and make recommendations regarding establishment of state public bank. Requires task force to submit report to committee of Legislative Assembly by January 31, 2024.

Declares emergency, effective on passage.

A BILL FOR AN ACT

Relating to a public bank task force; and declaring an emergency.

Be It Enacted by the People of the State of Oregon:

SECTION 1. (1) The State Public Bank Task Force is established.

(2) The task force consists of 21 members appointed as follows:

(a) The President of the Senate shall appoint one member from the majority party of the Senate and one member from a minority party of the Senate.

(b) The Speaker of the House of Representatives shall appoint one member from the majority party of the House of Representatives and one member from a minority party of the House of Representatives.

(c) The Governor shall appoint 17 members who reside in this state as follows:

(A) A member with experience in management of a credit union;

(B) A member with experience in management of a cannabis business;

(C) A member with experience in management of a community bank;

(D) A member with experience in farming;

(E) A representative of Oregon cities located in metropolitan counties, as defined by the federal Office of Management and Budget;

(F) A representative of Oregon cities located in nonmetropolitan counties, as defined by the federal Office of Management and Budget;

(G) An individual who is licensed to practice law in Oregon and who has expertise in public banking;

(H) An individual trained in economics who has expertise in public banking;

(I) A representative of Oregon counties;

(J) A representative of the Oregon Public Banking Alliance;

(K) A current or former representative of the Bank of North Dakota;

(L) A representative of the Oregon Business Development Department;

(M) A representative of the State Treasurer;

(N) A representative of the Oregon School Boards Association;

(O) A representative of the American Federation of Teachers - Oregon;

(P) A representative of the Pacific Northwest Regional Council of Carpenters; and

NOTE: Matter in **boldfaced** type in an amended section is new; matter *[italic and bracketed]* is existing law to be omitted. New sections are in **boldfaced** type.

1 (Q) A representative of the Oregon State Building and Construction Trades Council.

2 (3) In making appointments under this section, the appointing authorities shall, to the
3 extent possible, strive to maintain geographic, linguistic, socioeconomic and experiential di-
4 versity among members of the task force.

5 **SECTION 2.** (1) The State Public Bank Task Force shall study and make recommen-
6 dations regarding the establishment of a state public bank. The task force shall:

7 (a) Explore potential benefits and harms from the bank to state and local jurisdictions
8 and private industries;

9 (b) Explore possible governing and corporate structures for the bank;

10 (c) Explore possible means of capitalizing the bank, including by acting as a depository
11 for credit unions and community banks; and

12 (d) Study other relevant issues identified by the task force.

13 (2) In carrying out its duties, the task force shall adhere to the principles of the bank
14 being:

15 (a) Publicly controlled and operated for the public benefit;

16 (b) A means to save public dollars; and

17 (c) A tool to spur greater economic activity within this state.

18 (3) The task force may establish additional advisory or technical committees the task
19 force considers necessary. The committees may be continuing or temporary. The task force
20 shall determine the representation, membership, terms and organization of the committees
21 and shall appoint the members of the committees.

22 (4)(a) No later than 30 days after the effective date of this 2023 Act, appointments to the
23 task force must be completed.

24 (b) No later than 45 days after the effective date of this 2023 Act, the task force shall
25 hold its first meeting.

26 (c) No later than 52 days after the effective date of this 2023 Act, the Legislative Policy
27 and Research Director shall begin preparing a work plan for the task force.

28 (d) No later than January 31, 2024, the task force shall submit a final report on its
29 findings and recommendations, which may include recommendations for legislation, to an
30 appropriate standing or interim committee of the Legislative Assembly. The report must in-
31 clude a recommendation for a governing structure for a public bank.

32 (5) A majority of the members of the task force constitutes a quorum for the transaction
33 of business.

34 (6) Official action by the task force requires the approval of a majority of the members
35 of the task force.

36 (7) The task force shall elect one of its members to serve as chairperson and one of its
37 members to serve as vice chairperson.

38 (8) If there is a vacancy for any cause, the appointing authority shall make an appoint-
39 ment to become immediately effective.

40 (9) The task force shall meet at times and places specified by the call of the chairperson
41 or of a majority of the members of the task force.

42 (10) The task force may adopt rules necessary for the operation of the task force.

43 (11) The Legislative Policy and Research Director shall provide staff support to the task
44 force.

45 (12) The task force may apply for public grants or private grants from nonprofit organ-

1 izations for expenses related to its duties.

2 (13) Members of the task force who are members of the Legislative Assembly are entitled
3 to compensation and expenses as provided in ORS 171.072. Members of the task force who
4 are not members of the Legislative Assembly are entitled to compensation and expenses in
5 the same manner and amount as provided in ORS 292.495.

6 (14) All agencies of state government, as defined in ORS 174.111, are directed to assist
7 the task force in the performance of the duties of the task force and, to the extent permitted
8 by laws relating to confidentiality, to furnish information and advice the members of the task
9 force consider necessary to perform their duties.

10 **SECTION 3.** In addition to its other duties, the State Public Bank Task Force shall ex-
11 plore the potential benefits and harms of a state bank engaging in lending, payments or
12 providing other public financial infrastructure relating to:

- 13 (1) Secondary loan markets for credit unions and community banks;
- 14 (2) A depository for community credit unions and community banks;
- 15 (3) Affordable housing construction during economic downturns;
- 16 (4) Student loans;
- 17 (5) Agricultural loans to incentivize sustainable farming practices;
- 18 (6) A green bank to capture federal funds and leverage private capital;
- 19 (7) Financing for local government infrastructure projects; and
- 20 (8) Financial services for cannabis businesses.

21 **SECTION 4.** Sections 1 to 3 of this 2023 Act are repealed on January 2, 2025.

22 **SECTION 5.** This 2023 Act being necessary for the immediate preservation of the public
23 peace, health and safety, an emergency is declared to exist, and this 2023 Act takes effect
24 on its passage.