

B-Engrossed House Bill 2763

Ordered by the House June 12
Including House Amendments dated March 14 and June 12

Sponsored by Representative GAMBIA, Senator GOLDEN, Representative WALTERS; Representatives ANDERSEN, BOWMAN, CHAICHI, DEXTER, EVANS, HUDSON, LIVELY, NELSON, NGUYEN H, PHAM K, RUIZ, 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.

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]* **September 1, 2024.**

Declares emergency, effective on passage.

A BILL FOR AN ACT

1
2 Relating to a public bank task force; and declaring an emergency.

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

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

5 **(2) The task force consists of 19 members appointed as follows:**

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

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

11 **(c) The Governor shall appoint 15 members who reside in this state as follows:**

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

13 **(B) A member with experience in management of a community bank;**

14 **(C) A member with experience in management of a community development financial**
15 **institution;**

16 **(D) A member with experience in management of a cannabis business;**

17 **(E) A member with experience in management of a family farm, as defined in 7 C.F.R.**
18 **4284.902;**

19 **(F) A member with experience in municipal government;**

20 **(G) A member with experience in government of a county with fewer than 100,000 resi-**
21 **dents;**

22 **(H) A member with experience in public banking law;**

23 **(I) A member with experience in the national public banking movement;**

24 **(J) A member representing the State Treasurer;**

25 **(K) A member from the Oregon Business Development Department;**

26 **(L) A member from a marginalized community;**

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 (M) A member from the Pacific Northwest Regional Council of Carpenters;

2 (N) A member from a public sector labor union; and

3 (O) A member with experience in residential construction lending.

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

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

9 (a) Explore potential benefits and harms from the bank to state and local jurisdictions
10 and private industries, including potential benefits and harms of a state bank engaging in
11 lending, payments or providing other public financial infrastructure relating to:

12 (A) Secondary loan markets for credit unions and community banks;

13 (B) A depository for community credit unions and community banks;

14 (C) Affordable housing construction during economic downturns;

15 (D) Student loans;

16 (E) Agricultural loans to incentivize sustainable farming practices;

17 (F) A green bank to capture federal funds and leverage private capital;

18 (G) Financing for local government infrastructure projects; and

19 (H) Financial services for cannabis businesses;

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

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

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

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

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

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

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

29 (3) No later than September 1, 2024, the task force shall submit a final report on its
30 findings and recommendations, which may include recommendations for legislation, to an
31 appropriate standing or interim committee of the Legislative Assembly. The report must in-
32 clude a recommendation for a governing structure for a public bank.

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

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

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

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

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

43 (9) The task force may adopt rules necessary for the operation of the task force.

44 (10) The Oregon Business Development Department shall provide staff support to the
45 task force.

1 **(11) The task force may apply for public grants or private grants from nonprofit organ-**
2 **izations for expenses related to its duties.**

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

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

11 **SECTION 3.** **Sections 1 and 2 of this 2023 Act are repealed on January 2, 2025.**

12 **SECTION 3a.** **In addition to and not in lieu of any other appropriation, there is appro-**
13 **priated to the Oregon Business Development Department, for the biennium beginning July**
14 **1, 2023, out of the General Fund, the amount of \$431,562, for staff support to the State Public**
15 **Bank Task Force established by section 1 of this 2023 Act.**

16 **SECTION 4.** **This 2023 Act being necessary for the immediate preservation of the public**
17 **peace, health and safety, an emergency is declared to exist, and this 2023 Act takes effect**
18 **on its passage.**