

**77TH OREGON LEGISLATIVE ASSEMBLY  
2013 REGULAR SESSION  
STAFF MEASURE SUMMARY  
SENATE FINANCE AND REVENUE COMMITTEE**

**MEASURE: SB 261  
CARRIER: Sen. Boquist**

**REVENUE:** Revenue impact statement issued

**FISCAL:** Minimal fiscal impact

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**Action:** Do Pass

**Vote:** 5-0-0

**Yeas:** Boquist, George, Hass, Rosenbaum, Burdick

**Nays:** 0

**Exc.:** 0

**Prepared By:** Christine Broniak, Economist

**Meeting Dates:** 2/20, 3/18

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**WHAT THE BILL DOES:** Exempts from property tax property leased to the United States that is used for a high-voltage electricity transmission system in the Pacific Northwest and that may be purchased by the United States for a nominal price after the expiration of the lease or lease-purchase agreement if the debt incurred by the person to acquire the property has been paid.

**ISSUES DISCUSSED:**

- BPA Leases

**EFFECT OF COMMITTEE AMENDMENTS:**

**BACKGROUND:** Property that is owned by a non-governmental entity other than the United States is generally taxable, even if it is leased to the United States. Previously, the investments made by the Bonneville Power Administration (BPA) in transmission infrastructure were financed by the United States Treasury. With the reduction in borrowing authority from the Treasury, the BPA has been instead using a third-party finance program to invest in transmission infrastructure. The land and improvements related to this infrastructure are taxable because the land is owned by the third party and not BPA during the financing period.