



STATE OF OREGON
OREGON STATE TREASURY
159 STATE CAPITOL, 900 COURT ST NE
SALEM, OREGON 97301-4043

February 10, 2015

House Committee on Revenue

House Bill 2490

Chair Barnhart and members of the Committee:

HB 2490 is a technical fix bill to correct a problem created by a 2013 bill. While Treasury did not sponsor SB 351 in 2013, it was certainly supportive of the bill's concept – as it now allows Oregon Tribes to invest in the local government investment pool. Treasury runs that pool, a fund that over 1,000 Oregon state agencies and local governments use to collectively pool billions of dollars over the year to achieve short term yields before they need to spend the money.

However, SB 351 rewrote a specific statute in a way that is unworkable for Treasury. A simple date tweak is necessary for Treasury to fulfill the program's requirements.

HB 2490 does only one thing: it changes a nonsensical date of September 9th to a date that ends the month, August 31st. ORS 294.810 requires Treasury to adjust the local government investment limitation amount by the Consumer Price Index. Since CPI data is calculated monthly, it makes sense to use a monthly end date instead of an arbitrary date in the middle of the month. A comprehensive review of legislative history and the internet related searches appear to show that September 9th is a statutory accident of history. The date carries no significance relating to CPI data and previous to SB 351 the statute more clearly was a marker in time rather than a firm data end point as the statute stands now.

Treasury would appreciate the Legislature fixing the statute so we can run the local government investment pool on behalf of the account holders of this state as intended.

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