

SB 254 STAFF MEASURE SUMMARY

Senate Committee On Environment and Natural Resources

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Meeting Dates: 2/19

WHAT THE MEASURE DOES:

Expands potential recipients of levee project loans or grants by Oregon Infrastructure Authority to any public body. Specifies that the total amount of grants that may be awarded each biennium is limited only by the amount of moneys available in the Levee Project Subaccount; limits grants for a planning project to a maximum of \$2 million per applicant per biennium and specifies that a grant for a construction or capital improvement project may not exceed an amount equal to 85 percent of the total project cost. Requires applicant pledge a match with value equal to 20 percent of the grant amount; match may be in the form of cash or property and may be obtained from any source. Modifies definition of "levee project." Provisions of measure apply on or after July 1, 2019.

ISSUES DISCUSSED:

EFFECT OF AMENDMENT:

No amendment.

BACKGROUND:

A levee is a man-made structure, usually an earthen embankment, designed and constructed to contain, control, and divert the flow of water to reduce risk from temporary flooding. According to the Federal Emergency Management Agency, when new flood maps are being issued for a community with a levee system and the levee is found to no longer meet federal standards for reducing the risks associated with a major flood, the flood risk around the levee is mapped as a high-risk area. Property owners in high-risk areas are subject to federal flood insurance requirements once the new maps take effect and must purchase a flood insurance policy if they have mortgages from a federally regulated or insured lender.

In 2015, Senate Bill 306 authorized the Infrastructure Finance Authority (IFA) in Business Oregon to provide financial assistance to levee projects in the form of loans or grants from the Special Public Works Fund (SPWF). The SPWF is a revolving loan fund that provides loans and grants to local governments to support public infrastructure projects.

Senate Bill 254 would allow public bodies to receive levee project grants issued by the Oregon IFA.