

SB 695 A -A2 STAFF MEASURE SUMMARY

House Committee On Revenue

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Meeting Dates: 6/13

WHAT THE MEASURE DOES:

Eliminates the cap on the amount of debt that a port may incur by promissory note and the five-year term limit on such notes. Removes the five-year term limit on promissory notes issued by a port.

ISSUES DISCUSSED:

EFFECT OF AMENDMENT:

-A2 Extends the time limit to 10 years, and caps the note amount to \$10 million.

BACKGROUND:

There are 23 ports in Oregon. They provide different services to residents and businesses in Oregon. A "promissory note" is "an instrument that evidences a promise to pay a monetary obligation, does not evidence an order to pay, and does not contain an acknowledgment by a bank that the bank has received for deposit a sum of money or fund" (Oregon Uniform Commercial Code, ORS 79.0102 UCC 9-102). This measure would eliminate the cap on the amount of debt that a port may incur by promissory note, as well as the five-year term limit.