

House Bill 2966

Sponsored by Representative GAMBIA, Senators GOLDEN, FREDERICK, Representatives ANDERSEN, EVANS; Representative WALTERS, Senators CAMPOS, PHAM K (Pre-session 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 **as introduced**. The statement includes a measure digest written in compliance with applicable readability standards.

Digest: The Act creates a task force to study public financing options. (Flesch Readability Score: 72.6).

Establishes the State Public Finance Task Force. Directs the task force to study and make recommendations regarding public banking and other public financing options. Requires the task force to submit a report to a committee of the Legislative Assembly by September 1, 2027.

Declares an emergency, effective on passage.

A BILL FOR AN ACT

1
2 Relating to a public finance 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 Finance Task Force is established.**

5 **(2) The task force consists of 14 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 10 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 development financial**
14 **institution;**

15 **(C) A member with experience in management of a bank headquartered in the Pacific**
16 **Northwest and with assets valued at no less than \$50 billion;**

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

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

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

22 **(G) A member with experience in tribal government;**

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

24 **(I) A member representing the Oregon Business Development Department; and**

25 **(J) A member with experience in residential construction lending.**

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

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 **SECTION 2.** (1) The State Public Finance Task Force shall study and make recommen-
 2 dations regarding public banking and other public financing options. The task force shall:

3 (a) Explore the methods by which public bodies in Oregon manage and invest their public
 4 funds, including the interest rates and fees paid for bonds related to infrastructure develop-
 5 ment.

6 (b) Explore potential cost savings from public financing practices, including from the
 7 provision of public financial infrastructure relating to:

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

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

10 (C) A depository for local government moneys in excess of insurable limits;

11 (D) Affordable housing construction during economic downturns;

12 (E) Participatory loans originated by private financial institutions to facilitate
 13 homeownership for Oregonians who currently experience obstacles in securing mortgage
 14 loans;

15 (F) Student loans;

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

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

18 (I) Financing for local government infrastructure projects.

19 (c) Explore possible governing and corporate structures for public financing entities.

20 (d) Explore possible means of capitalizing public financing entities, including by:

21 (A) Acting as a depository for credit unions and community banks;

22 (B) Acting as a depository for public funds in excess of insurable limits;

23 (C) Appropriations from the General Fund;

24 (D) Borrowing against cost savings deriving from implementation of public financing
 25 practices; and

26 (E) Any other means identified by the task force.

27 (e) Study other relevant issues identified by the task force.

28 (2) In carrying out its duties, the task force shall adhere to the principles that public fi-
 29 nancing entities and methods should:

30 (a) Be publicly controlled and operated for the public benefit;

31 (b) Be a means to save public dollars;

32 (c) Be a tool to spur greater economic activity within this state; and

33 (d) Avoid financial harms to credit unions and community banks.

34 (3) No later than September 1, 2027, the task force shall submit a final report on its
 35 findings and recommendations, which may include recommendations for legislation, to an
 36 appropriate standing or interim committee of the Legislative Assembly.

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

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

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

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

45 (8) The task force shall meet at times and places specified by the call of the chairperson

1 or of a majority of the members of the task force.

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

3 (10) The State Treasurer shall provide staff support to the task force.

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

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

10 (13) The task force may request and receive documents and testimony from any public
11 or private source.

12 (14) The State Treasurer may enter into agreements for the provision of research ser-
13 vices related to the task force.

14 (15) All agencies of state government, as defined in ORS 174.111, are directed to assist
15 the task force in the performance of the duties of the task force and, to the extent permitted
16 by laws relating to confidentiality, to furnish information and advice the members of the task
17 force consider necessary to perform their duties.

18 **SECTION 3.** Sections 1 and 2 of this 2025 Act are repealed on January 2, 2028.

19 **SECTION 3a.** In addition to and not in lieu of any other appropriation, there is appro-
20 priated to the State Treasurer, for the biennium beginning July 1, 2025, out of the General
21 Fund, the amount of \$__ for staff support to the State Public Finance Task Force estab-
22 lished by section 1 of this 2025 Act.

23 **SECTION 4.** This 2025 Act being necessary for the immediate preservation of the public
24 peace, health and safety, an emergency is declared to exist, and this 2025 Act takes effect
25 on its passage.