



Date: Friday, February 9, 2024

To: House Committee on Emergency Management, General Government, and Veterans

From: Rohan Grey, Director, Public Money Action

Subject: Support for House Bill 4155

Chair Grayber, Vice Chairs Lewis and Tran, and Esteemed Members of the Committee:

My name is Rohan Grey. By day, I am an Oregon-based law professor that teaches courses on Contracts, Business Organizations, and Financial Institutions. I also co-direct Public Money Action, a national advocacy organization that promotes financial reform in the public interest. In that capacity, I work with policymakers around the country on legislative and regulatory initiatives related to economic development.

I write today in support of House Bill 4155, which is the first step in a long overdue and much-needed transformation of infrastructure financing in Oregon.

The past decade has been characterized by the collapse of the macroeconomic policy consensus that previously dominated for the past half-century. This shift has been driven by recurrent systemic crises that include, but are not limited to, the global financial crisis, the COVID-19 pandemic, and the climate crisis.

In response to these unprecedented challenges, communities and policymakers have begun to experiment with novel public financing mechanisms, ranging from revolving loan funds and infrastructure banks, to new forms of public-private partnerships and risk-sharing arrangements. While many of these experiments are still in their early stages, they have already begun to have a noticeable and positive impact on investment levels and financing costs in jurisdictions across the country.

Oregon presently suffers from an infrastructure investment deficit, and state and local government actors face exorbitantly high financing costs for new projects. Addressing these challenges requires public officials being willing to take risks and try new things. To borrow a line from President Lincoln: "*The dogmas of the quiet past, are inadequate to the stormy present. The occasion is piled high with difficulty, and we must rise with the occasion. As our case is new, so we must think anew, and act anew.*"

At the same time, we must be smart in how we innovate, to ensure our efforts do not end up doing more harm than good. This involves learning from successful efforts from around the country, while remaining sensitive to the importance of adapting them to the unique needs of our local context.

House Bill 4155 achieves this balance. Rather than prescribing a particular set of reforms tomorrow, it seeks to gather data and identify best-practices so that lawmakers like yourselves can then make better-informed decisions on behalf of the communities that you represent. It is cautious and incremental, while at the same time bold and forward-looking. Building a stronger, more vibrant Oregon begins with knowing where we're going, and H.B. 4155 allows us to draw that map.

I urge you to vote yes on H.B. 4155.

Regards,



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