The “Gain Share Deal,” the -9 amendment to SB 129A could be a winner!

It’s certainly far better than its earlier version.

The details of the Gain Share Deal have finally been made public. We’re telling legislative allies, “Vote for it.” In the long run it’s $21 m more expensive than letting current law sunset 1.1.2019, but holding out takes guts and listening to Washington County/Hillsboro whine in 2016, 2017, 2018 and 2019.

When stories about the Gain Share Deal came out in the press a week and a half ago, the details were just not all there. We were hesitant. Now that we finally have the proposed “deal” to read, we’re ready to be happy! It’s much better than we feared. There is a year earlier sunset than we anticipated, and no tail extending the cost for up to 15 years after the sunset date as there was in SB 129A. Distribution of the $53.5 million saved this biennium is not in the bill. That will be decided in the budget process.

Basically, if the current law were just allowed to sunset in January of 2019, it would cost the state an estimated $144 million.¹ The new law will cost, before it sunsets with the 2024-25 year, $165 million. ²

This is way, way better than Senate bill 129A which, along with HB 2070, went to the team that came up with the “Gain Share Deal,” now the -9 amendment to SB 129A, which we hope will become SB 129B when it passes out of committee.

And bless the legislative drafter’s hearts and skills, the -9 amendment is much clearer to read, only partly because allocation of the extra $53.5 m in revenue this biennium and into ten years into the future is left out of the bill.

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¹ If that number $144 m seems new, it’s because it is. LROs prior projections were $158 m if they did nothing and let Gain Share sunset 1.1.2019.
² LRO has not given estimates after the 2019-21 biennia, though with the cap it seems fairly easy to do. So their sheet shows Washington County losing nearly $22 million, but that’s only the short term, over the life of the -9s, Washington County will get about $20 million more than if the legislature just let Gain Share sunset in 2019.