

House Committee on Economic Development – Measures Referred to Joint Committee on Ways and Means (JWMs)

Measure	What Measure Does	Sponsor/Requester	Revenue and Fiscal Impacts	Rank
HB 2173 A	<p>Creates Oregon Broadband Office within the Oregon Business Development Department and defines office responsibilities. Repeals the sunset on the Oregon Broadband Advisory Council. Adds members to the Council to represent consumers and the public at large, Oregon Department of Transportation, and a service provider headquartered in rural Oregon. Expands Council duties.</p>	<p>House Interim Committee on Economic Development and Trade</p>	<p>No revenue impact. Fiscal impact issued: \$1.12 million Lottery Funds in the 2019-21 biennium and \$2.3 million in the 2021-23 biennium.The measure corresponds with a component of Policy Option Package (POP) 090 within the Oregon Business Development Department budget (SB 5524). The POP requests 9 positions (4.74 FTE) which include the following: Principal Executive Manager E (0.83 FTE), two Operations and Policy Analyst 4 (1.66 FTE), Administrative Specialist 2 (0.25 FTE), Information Systems Specialist 8 (0.50 FTE), Procurement and Contracts Specialist 3 (0.50 FTE), Research Analyst 3 (0.50 FTE), Public Affairs Specialist 2 position (0.25 FTE), and an Accountant 2 (0.25 FTE).</p>	
HB 2179 A	<p>Creates Task Force on Blockchain Applications and Legislation to study and evaluate status and development of blockchain technology, investigate potential uses for economic development and business transactions, and make recommendations for legislation to promote adoption, use, and development of the technology. Requires report to Legislative Assembly by September 15, 2020. Sunsets December 31, 2020. Takes effect 91st day following adjournment sine die.</p>	<p>House Interim Committee on Economic Development and Trade</p>	<p>No revenue impact. Fiscal impact is indeterminate. The fiscal impact depends on the scope of work undertaken by the task force. The bill requires LPRO to provide staff support to the task force. Although the 2019-21 Legislative Branch budget should contain funds allocated for LPRO support of interim committees and task forces, the bill authorizes the task force to consult experts as well as conduct surveys and research. These costs cannot be quantified until the task force convenes and defines the scope of these activities. Public members of the task force serve as volunteers and are not entitled to compensation and reimbursement. However, two members of the task force will be legislative members who are entitled to per diem and travel reimbursement. The estimated per diem and travel reimbursement cost for the two legislative members is \$420 per day. The measure is anticipated to have minimal impact on the state agencies serving on the task force.</p>	

HECD First Chamber Bills to JWMs

Measure	What Measure Does	Sponsor/Requester	Revenue and Fiscal Impacts	Rank
HB 2181 A	Establishes Task Force on Maritime Sector Workforce Development to continue work of predecessor task force, study and develop a description of the scope and extent of the maritime sector and maritime sector workforce in Oregon, and develop recommendations for State Workforce and Talent Development Board to address the maritime sector in a unified plan for the statewide workforce development system. Requires Board to conduct a study and analyze how to implement recommendations of Task Force and predecessor task force. Declares emergency, effective on passage.	House Interim Committee on Economic Development and Trade	No revenue impact. Fiscal impact is expected to be minimal. AOC is directed to provide staff support to the task force. This fiscal assumes that member entities will reprioritize existing staff and resources to serve on the task force, furnishing the task force with existing available data, information, advice, and other support. The Higher Education Coordinating Commission will use existing staff and resources to comply with the State Workforce and Talent Board study and reporting requirements. Non-legislative members of the task force serve as volunteers and are not entitled to compensation and reimbursement. However, four members of the task force will be legislative members who are entitled to per diem and travel reimbursement. The estimated per diem and travel reimbursement cost for the four legislative members is \$841 per day.	
HB 2184 A	Identifies services subject to universal service surcharge, defines how intrastate revenues subject to surcharge are identified, and changes surcharge maximum to seven percent. Establishes cap of \$30 million per year for basic telephone service from universal service fund. Creates Broadband Fund and transfers an amount equal to the lesser of \$10 million, or the remainder in the universal service fund above \$30 million per year to Broadband Fund.	House Interim Committee on Economic Development and Trade	Revenue and fiscal impact statements issued to move the bill to House Revenue. Revenue impacts will need to be further estimated as the measure is taken up by HREV. The measure is anticipated to have a fiscal impact on the Oregon Business Development Department and the Public Utility Commission, but a more complete fiscal analysis on the measure will be prepared as it is considered in HREV.	

HECD First Chamber Bills to JWMs

Measure	What Measure Does	Sponsor/Requester	Revenue and Fiscal Impacts	Rank
HB 2310 A	<p>Establishes Prosperity 1,000 Pilot Program to provide career coaching, occupational training, and job placement services for at least 1,000 low-income job seekers who reside in areas of concentrated poverty. Identifies local workforce development boards to administer program. Requires Department of Human Services (DHS) to refer program participants, seek federal reimbursement for 50 percent of program costs, and report annually to Legislative Assembly. Requires Department and State Workforce and Talent Development Board (SWTDB) to establish joint steering committee. Appropriates \$5,000,000 in General Fund moneys to implement program. Declares emergency, effective July 1, 2019.</p>	<p>Rep.REARDON</p>	<p>No revenue impact. Fiscal impact of \$5,475,000 General Fund and 2 positions (2.00 FTE) per biennium. In addition to the \$5 million to local workforce development boards, DHS will need to establish two Operations Policy Analyst 3 positions to meet the workload associated with: (1) incorporating the pilot program into the statewide plan for the SNAP Employment and Training Program; (2) seeking federal reimbursement for 50% of the pilot program' costs to reinvest into the pilot program; (3) gathering and compiling information from each local workforce development board; and (4) producing and submitting reports to the Legislature by December 31st of each calendar year. In addition, the federal government requires reviews of all new providers in the first year, which would involve staff traveling to the local workforce board areas. Although DHS will seek federal reimbursement, at this time, DHS cannot predict whether the federal government will approve matching funds; which could add \$5 million Federal Funds to the program with the measure's reinvestment provision. The fiscal impact of this measure to the Higher Education Coordinating Commission for SWTDB is anticipated to be minimal.</p>	
HB 2320 A	<p>Requires Department of Administrative Services (DAS) to transfer a fixed percentage of forecasted lottery revenues to counties for economic development. Provides adjustment of disbursements to counties from video lottery revenues to compensate for differences between actual and forecasted revenues. Takes effect 91st day following adjournment sine die.</p>	<p>Rep.LIVELY, Sen.THOMSEN, Rep.SMITH G, Sen.HANSELL</p>	<p>Revenue impact issued; further analysis will be done in JWMs. Fiscal impact is indeterminate at this time. Allocations of net lottery revenues for statutory percentage transfers and legislative dedications from the Economic Development Fund (EDF) are approved as fixed amounts each session in a lottery allocation bill. DAS may only distribute amounts from the EDF that are approved by the Legislature. Any difference between forecasted and actual net video lottery receipts distributed to the counties under the provisions of this measure would need to be included in the legislatively approved lottery allocation from the EDF to DAS for distribution to counties. Increasing the distribution to counties to include both the 2.5% of forecasted net video lottery receipts for the upcoming biennium and the difference between forecasted and actual receipts from the prior biennium reduces the amount of net lottery revenues available in the subsequent biennium for other purposes.</p>	

HECD First Chamber Bills to JWMs

Measure	What Measure Does	Sponsor/Requester	Revenue and Fiscal Impacts	Rank
HB 2366	Allocates \$1,600,000 of lottery revenue to Oregon Business Development Department for grants or loans to the Port of Port Orford for redevelopment of Port Orford Cannery. Declares emergency, effective on passage.	Rep.SMITH DB	No revenue impact. Fiscal impact of \$1.6 million in lottery funds from the Administrative Services Economic Development Fund to the Oregon Business Development Department (OBDD). OBDD anticipates no additional administrative costs to implement this measure.	
HB 2383 A	Appropriates \$150,000 from General Fund to Department of Revenue to distribute as \$75,000 per fiscal year to Curry County for assessment pilot program to achieve assessment rotation of seven years for taxable property located in county. Requires assessor to have \$50,000 available each fiscal year from taxing districts in the county, excluding education districts, before Department distributes funding. Requires assessor to report to Department, and Department to report on pilot program to Legislative Assembly by September 15, 2021. Takes effect 91st day following adjournment sine die.	Rep.SMITH DB	No revenue impact. Fiscal impact of \$150,000 General Fund and minimal impact to the Department of Revenue (DOR) for staffing and budget. Aside from the General Fund appropriation, the measure would have an indeterminate fiscal impact on property tax collections conducted by the Curry County assessor.	
HB 2613	Requires Oregon Business Development Department to retain a consultant to develop a master plan for county fairground capital construction and to report on the plan to the Legislative Assembly. Prescribes report content and Department requirements. Appropriates \$250,000 from the General Fund to Department for consultant services to develop master plan. Sunsets July 1, 2021. Declares emergency, effective July 1, 2019.	Rep.SMITH G	No revenue impact. Fiscal impact of \$250,000 General Fund (GF) in the 2019-21 biennium; minimal impact to Oregon Business Development Department (OBDD). If appropriation funds are spread evenly, contractor expenses will average roughly \$6,900 per county. Counties report that working with the contractor will not result in any additional fiscal impact. The fiscal impact to OBDD associated with hiring a contractor and reporting back to the Legislature is anticipated to be minimal and absorbable within existing budgetary parameters.	

HECD First Chamber Bills to JWMs

Measure	What Measure Does	Sponsor/Requester	Revenue and Fiscal Impacts	Rank
HB 2672	Authorizes the Department of Revenue to reimburse the State Department of Agriculture, the State Department of Energy, and Water Resources Department for any expenses incurred in the administration and enforcement of activities related to cannabis. Takes effect 91st day following adjournment sine die.	Rep.WITT, Sen.HANSELL	Revenue and Fiscal impact statements issued for purpose of moving to JWMs. Reimbursement costs to the affected agencies could vary depending on the approach taken to address administration and enforcement of activities related to cannabis. LFO notes that the legislation does not explicitly state that valid reimbursement costs should be calculated less any related fees collected by the affected agency for activities related to cannabis. A more complete fiscal analysis on the measure will be prepared as the measure is considered in JWMs	
HB 3110 A	Establishes Oregon Rural Capacity Fund (Fund) to provide resources to Oregon's Economic Development Districts (EDDs) to assist rural jurisdictions to learn about, apply for, and manage grants and other funding opportunities to support workforce, infrastructure, economic development, and community development. Requires Oregon Business Development Department to develop and communicate program policy and purposes, determine moneys available, consult and coordinate with EDDs on distribution, and make distributions from Fund. Appropriates \$918,750 of General Fund moneys to Department to spend on program. Becomes operative January 1, 2020. Declares emergency, effective on passage.	Rep.BONHAM	No revenue impact. Fiscal impact of \$918,750 General Fund in the 2019-21 biennium. OBDD may retain up to five percent of moneys appropriated or transferred to the Fund to pay for administrative expenses. A more complete fiscal analysis on the measure will be prepared as the measure is considered in JWMs.	

HECD First Chamber Bills to JWMs

Measure	What Measure Does	Sponsor/Requester	Revenue and Fiscal Impacts	Rank
HB 3211 A	Directs Oregon Department of Agriculture to design and implement cannabis business certification program to address energy and water usage. Directs Oregon Liquor Control Commission to allocate \$300,000 from Marijuana Control and Regulation Fund to Department for program. Declares emergency, effective July 1, 2019.	Rep.HELM, Sen.PROZANSKI	Revenue and fiscal impact statements issued for purpose of moving bill to JWMs. Further analysis is required to determine the programmatic and budgetary scope of the certification program; these factors will influence a determination if the existing ODA Cannabis Coordinator position has the capacity to create standards for the certification program or if contracting with a third-party vendor is more cost effective. ODA will incur rulemaking costs which will vary based on the scope of the certification program. Preliminary estimates indicate that OLCC may need to raise fees on marijuana grow sites, marijuana processing sites, and dispensaries to cover the costs of allocations from the Marijuana Control and Regulation Fund. Workload associated with the accounting and distribution of the funds to ODA is anticipated to be minimal and absorbable within existing budgetary parameters, however it is unclear if the \$300,000 allocation is one-time or ongoing.	
HB 3251 A	Authorizes Oregon Business Development Department (OBDD) to provide matching grants to membership organizations and business accelerators for capacity building and technical assistance to businesses that manufacture gear and apparel for use in outdoor recreation. Requires grant agreement between Department and grant recipient to establish deliverables or other goals to be met. Appropriates \$500,000 of General Fund moneys to Department for deposit in Industry Competitiveness Fund for matching grants.	Rep.HELM, Sen.KNOPP, Sen.DEMBROW, Rep.BONHAM, Rep.GOMBERG, Rep.HELT, Rep.SMITH DB, Rep.WITT, Sen.THOMSEN	No revenue impact. Fiscal impact is allocation of \$500,000 of net lottery proceeds from the Administrative Services Economic Development Fund to OBDD for deposit in the existing Industry Competitiveness Fund (ICF). Lottery Funds expenditure limitation would need to be established in OBDD's 2019-21 budget for the additional allocation of net lottery proceeds to ICF. The agency will adopt rules to establish the application process for grants and can charge an application fee to cover the costs of application processing. Administration of the grant awards is anticipated to absorbable within OBDD's current budgetary resources.	

HECD First Chamber Bills to JWMs

Measure	What Measure Does	Sponsor/Requester	Revenue and Fiscal Impacts	Rank
HB 3386 A	<p>Identifies types of businesses eligible to deliver distilled liquor, malt beverages, wine, or cider to final consumer at residential address. Creates alcohol delivery service permit and sets permit requirements. Allows alcohol delivery service permit holder to charge liquor store agent, eligible business, or final consumer a fee for delivery of alcoholic beverages. Allows purchase of alcoholic beverages by Internet or telephone from Oregon Liquor Control Commission liquor stores. Provides that use of commercial motor vehicle to transport or deliver alcoholic beverages does not require alcohol delivery service permit. Specifies that common carrier permit allows a commercial transporter of goods to deliver alcoholic beverages from direct shipper permit holder to final consumer at residential address. Requires Commission to adopt rules. Sets sanctions and penalties for violations by alcohol delivery service permit or common carrier permit. Sets annual fee for alcohol delivery service permit or common carrier permit at \$500 with no bond requirement.</p>	<p>Rep.DOHERTY</p>	<p>Minimal revenue impact. Fiscal impact issued for purpose of moving measure to JWMs. The measure is anticipated to have an impact on the Oregon Liquor Control Commission. A more complete fiscal analysis on the measure will be prepared as the measure is considered in JWMs.</p>	