

FISCAL IMPACT OF PROPOSED LEGISLATION

Measure: HB 2007 - A10

80th Oregon Legislative Assembly – 2019 Regular Session
Legislative Fiscal Office

*Only Impacts on Original or Engrossed
Versions are Considered Official*

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Measure Description:

Extends authorized uses of moneys received by state pursuant to Volkswagen Environmental Mitigation Trust Agreement and deposited in Clean Diesel Engine Fund.

Government Unit(s) Affected:

Department of Environmental Quality (DEQ), Department of Justice, Department of Transportation

Summary of Fiscal Impact:

Costs related to the measure will require budgetary action - See analysis.

Summary of Expenditure Impact:

	2019-21 Biennium	2021-23 Biennium
General Fund	\$407,718	\$660,102
Total Funds	\$407,718	\$660,102
Positions	2	2
FTE	1.66	2.00

Department of Environmental Quality (DEQ)

An Operations and Policy Analyst 3 position (0.83 FTE) will be responsible for leading rulemaking and program development associated with registrations and titling requirements in the measure. Upon program implementation, this position will serve as the primary program staff, leading all aspects of implementation, including communication to regulated parties, coordination with ODOT, and compliance and enforcement activities. This position will also provide guidance over the rulemaking effort related to the voluntary emissions labeling program. The position is phased-in at an estimated cost of \$212,751 General Fund in the 2019-21 biennium and \$261,205 General Fund in the 2021-23 biennium.

An Operations and Policy Analyst 2 (0.83 FTE) position is anticipated to be needed to lead the rulemaking efforts related to voluntary emissions labeling program. DEQ expects to contract out the operation of this program, as allowed by the bill. Upon completing of rulemaking this position will manage the request for proposals and contract implementation. Upon execution of the contract(s), this position will manage the contracts and audit service delivery. It is expected multiple entities will contract to administer the sticker program. Contracted entities will self-fund through fees-for-service that are authorized by the bill. The position is estimated at \$194,967 General Fund in the 2019-21 biennium and \$239,777 General Fund in the 2021-23 biennium.

The Department identified additional positions that may be required to fully implement these programs once rulemaking is complete. These positions would be anticipated to start in July 2020. If additional positions prove to be needed, the Department may return to the 2020 session for additional position authority.

Department of Transportation (ODOT)

The fiscal impact of this measure will occur in the 2021-23 biennium for ODOT for an estimated cost of \$159,120 Other Funds. Costs associated with IT programming of approximately 900 hours of programming work at \$97 per

hour. Additionally, startup costs are estimated to be \$70,000, and contract review will be required for any interagency agreement entered into. Contract review by DOJ is estimated to take approximately 10 hours at \$182 per hour.

Other

A minimal and absorbable fiscal impact is anticipated for the following state agencies: Department of Justice, and the Department of Administrative Services.