

FISCAL IMPACT OF PROPOSED LEGISLATION

Measure: HB 4168 - 2

80th Oregon Legislative Assembly – 2020 Regular Session
Legislative Fiscal Office

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

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Measure Description:

Requires mediation sessions between representatives of the forest industry and environmental interests.

Government Unit(s) Affected:

Department of Administrative Services (DAS), Department of Consumer and Business Services (DCBS), Department of Environmental Quality (DEQ), Office of the Governor, Oregon Department of Agriculture (ODA), Water Resources Department (WRD), Department of Forestry (ODF)

Summary of Fiscal Impact:

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

Analysis:

HB 4168 - 2 sets forward requirements for mediation sessions, and also outlines a variety of regulations related to notifications for pesticide application.

Office of the Governor

This measure requires the Governor to hold mediation sessions between representatives of the forest industry and environmental interests in accordance with a Memorandum of Understanding announced by the Governor on February 10, 2020. The goal of these mediation sessions is to evaluate and recommend changes to the Oregon Forest Practices Act laws to advance attainment of federal regulatory assurance for aquatic and riparian-dependent species. A joint informational hearing about the mediation sessions is to be held during the 2021 Legislative session.

The measure includes a blank General Fund appropriation to organize and hold the mediation sessions. The Governor’s Office estimates that the total cost of the mediation sessions will be \$175,000 General Fund in 2019-21, and \$75,000 General Fund in 2021-23.

Oregon Department of Forestry

The second portion of the measure relates to notifications for pesticide application. A person may register with the Oregon Department of Forestry (ODF) to receive notices of applications of pesticides by helicopter to forestland near the person’s residence, or near a water intake they use. ODF is to be notified by operators, timber owners, or landowners who propose to conduct a pesticide application by helicopter to forestland. These entities must also notify ODF if the pesticide application is completed. ODF must notify nearby residents of scheduled pesticide applications. ODF is to develop a system to allow messages to persons near pesticide application sites. This portion of the measure applies to pesticide applications occurring on or after July 1, 2021, or later if the State Chief Information Officer gives notice that the ODF reporting system is not yet able to carry out the reporting requirements of this act.

The measure also sets limits for pesticide application by helicopter to forestland when application is near certain geographic features or structures. This applies to pesticide applications made on or after January 1, 2021.

ODF anticipates hiring two positions, a limited duration full-time Project Manager 3 (PM 3, 0.63 FTE in 2019-21), and a permanent full time Operations and Policy Analyst 2 (OPA 2, 0.63 FTE in 2019-21, 1.00 FTE in 2021-23). The PM 3 would oversee work on the agency's Forest Activity Electronic Reporting and Notification System (FERNS). The OPA 2 would administer the pesticide application program requirements, such as verifying information submitted by residents and water use recipients and administering civil penalties. Total Personal Services costs are estimated at \$149,317 General Fund and \$99,545 Other Funds in 2019-21, and \$112,573 General Fund and \$75,049 Other Funds in 2021-23.

Services and Supplies costs are estimated at \$745,000 General Fund and \$4,000 Other Funds in 2019-21. This includes an estimated \$739,000 General Fund for FERNS functionality as well as position-related Services and Supplies. Further analysis is needed of FERNS costs, as this amount is a substantial portion of the initial cost to build FERNS.

Services and Supplies costs in 2021-23 are estimated at \$66,000 General Fund and \$44,000 Other Funds, which includes position-related Services and Supplies and \$100,000 for ongoing maintenance and updates to the FERNS system.

Water Resources Department

ODF is directed to collaborate with the Water Resources Department (WRD) to inventory beneficial use points of diversion that are located on forestland.

WRD notes that there is an indeterminate fiscal impact related to this portion of the measure. WRD has some of this data available, but in varying formats, and with varying levels of accuracy. WRD may need additional staff or funding if they are required to verify this information or gather other data related to this measure.

Other agencies

This measure is anticipated to have no or minimal impact on the Department of Administrative Services, Oregon Department of Agriculture, Department of Consumer and Business Services, and the Department of Environmental Quality.

This measure is referred to the Joint Committee on Ways and Means by prior reference.