

FISCAL IMPACT OF PROPOSED LEGISLATION

Measure: HB 2426

81st Oregon Legislative Assembly – 2021 Regular Session
Legislative Fiscal Office

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

Prepared by: Kim To
Reviewed by: Julie Neburka, Amanda Beitel
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Measure Description:

Directs Oregon Homeland Security Council to develop updated list of equipment for purposes of emergency preparedness equipment grant program.

Government Unit(s) Affected:

Bonding, Oregon Military Department (OMD), Oregon State Treasurer (OST)

Summary of Fiscal Impact:

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

Analysis:

The 2017 Legislature directed the Office of Emergency Management (OEM) to develop and administer a grant program to distribute emergency preparedness equipment needed throughout the state. For the purpose of this grant program, the Oregon Homeland Security Council was required to develop a list of emergency preparedness equipment needed to address deficiencies in the ability of the state to respond to local and regional emergencies. HB 2426 requires the Council to update and revised this list of equipment, including updating assigned priority level for each type of equipment. The bill requires the Council to include preparedness equipment that is necessary to equip urban search and rescue teams at the highest priority level. The bill also directs OEM to prioritize requests made by specified fire and rescue agencies when issuing grants for emergency preparedness equipment.

The bill authorizes the State Treasurer, upon request of the Oregon Military Department, to issue general obligation bonds under Article XI-Q of the Oregon Constitution in an amount that produces \$5,000,000 of net proceeds for the Resiliency Grant Fund managed by the Oregon Military Department. There is no impact to the State Treasurer related to the issuance of bonds.

Oregon Military Department (OMD)

This bill will have a fiscal impact on the Oregon Military Department. The Department will request \$5,000,000 in net proceeds from the bond issue and if approved, deposit those funds into the Resiliency Grant Fund. The Department will make grant awards from the Resiliency Grant Fund pursuant to statute. The Department can accomplish the administrative requirements of the bill with existing resources. In addition, the Department will incur additional costs related to the issuance of the Article XI-Q bonds, including costs of issuance and General Fund debt service. Estimated General Fund debt service in the 2021-23 and 2023-25 biennia will be dependent on timing of the issuance. Article XI-Q general obligation bond authority will need to be established for project proceeds and costs of issuance. These costs will be reviewed upon consideration of this bill by the Joint Committee on Ways and Means.