

**FISCAL IMPACT OF PROPOSED LEGISLATION**

**Measure: HB 2896**

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, Laurie Byerly, Theresa McHugh, Michelle Deister, Matt Stayner,  
John Terpening  
Date: February 24, 2021

**Measure Description:**

Directs Office of Emergency Management to conduct annual multidisciplinary, all-hazards emergency response exercise.

**Government Unit(s) Affected:**

Oregon Military Department (OMD), Statewide, Counties, Cities, Special Districts

**Summary of Fiscal Impact:**

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

**Analysis:**

HB 2896 directs the Office of Emergency Management (OEM) to develop and administer a program for periodic emergency response exercises. OEM must:

1. Coordinate a multidisciplinary, all-hazards emergency response exercise, once per year. The exercise must involve at least 10% of the state’s public or private safety agencies [i.e. state, local government, special purpose district entities or private firms that provide (or have the authority to provide) firefighting, police, ambulance or emergency services].
2. Ensure that each public or private safety agency participate in at least one exercise in each 10-year period.
3. Provide advice and recommendations to counties and state agencies.
4. Consult with the Oregon Homeland Security Council to determine priority exercises.

The measure authorizes OEM to issue grants to local governments to defray the costs of the required exercises. The measure also authorizes OEM to solicit and accept gifts, grants or donations from public or private sources to fund the required exercises.

Oregon Military Department (OMD) - Office of Emergency Management (OEM)

OMD estimates the fiscal impact of this measure to be \$213,482 General Fund, 1 position, and 1.00 FTE per biennium. This amount reflects the Personal Services and related Services and Supplies for one Program Analyst 3 to serve as the Trainer/Exercise Officer responsible for overseeing the exercise program required by the measure, including working with state agencies and counties to assist in their annual exercise programs as well as collecting and synthesizing reported data.

Statewide - State agencies listed in ORS 401.054\*

The fiscal impact of this measure on state agencies is indeterminate depending on the specifics of the emergency preparedness exercise program and the elements and format of the metrics and data that must be reported to OEM. The measure stipulates that at least once a year, each state agency listed as a liaison with OEM under ORS 401.054 (See list below) must conduct an internal exercise that tests at least one element of the state agency’s emergency preparedness, and submit a written report to OEM describing the nature of the exercise, the metrics used by the agency to analyze the agency’s performance, and the outcome of the exercise. If the requirements of the emergency exercise specified in this measure align with existing emergency preparedness programs currently practiced by state agencies, the fiscal impact of complying with the provisions of this measure is anticipated to be

minimal. However, if state agencies are required to dedicate staff to designing new exercise programs for changing threats, hazards, and risks; developing new metrics and performance outcomes; as well as overseeing training for staff at all levels, agencies may need additional staffing resources and/or funding to contract with a third-party to conduct these exercises and to establish and collect evaluation metrics for reporting. In addition, depending on reporting requirements, agencies may need information technology resources to capture and store data necessary to report to OEM.

#### Counties, Cities, Special Districts

Similar to the impact to state agencies discussed above, the fiscal impact of this measure on local government is indeterminate depending on further advice and recommendations from OEM regarding the specifics of the emergency preparedness exercise.

This measure requires budgetary action for the allocation of General Fund resources and position establishment.

#### \*Agencies and Entities Listed as a Liaison with OEM under 401.054:

1. Department of Consumer and Business Services;
2. Department of Corrections;
3. Department of Education;
4. Department of Environmental Quality;
5. Department of Human Services;
6. Department of Justice;
7. Department of Land Conservation and Development;
8. Department of Public Safety Standards and Training;
9. Department of State Lands;
10. Department of State Police;
11. Department of Transportation;
12. Department of Veterans' Affairs;
13. Employment Department;
14. Housing and Community Services Department;
15. Judicial Department;
16. Oregon Business Development Department;
17. Oregon Department of Administrative Services;
18. Oregon Department of Aviation;
19. Oregon Health Authority;
20. Oregon Military Department;
21. Oregon Tourism Commission;
22. Public Utility Commission of Oregon;
23. Secretary of State;
24. State Department of Agriculture;
25. State Department of Energy;
26. State Department of Fish and Wildlife;
27. State Department of Geology and Mineral Industries;
28. State Fire Marshal;
29. State Forestry Department;
30. State Marine Board;
31. State Parks and Recreation Department;
32. Travel Information Council; and
33. Water Resources Department.