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

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Measure Description:
Directs Oregon Business Development Department to establish program to create Oregon Critical Disaster Preparedness Stockpile to ensure robust stock of emergency supplies and equipment.

Government Unit(s) Affected:
Oregon Business Development Department (OBDD), Oregon Health Authority (OHA), Oregon Military Department (OMD), Department of Administrative Services (DAS), counties

Summary of Fiscal Impact:
Costs related to the measure are indeterminate at this time - See analysis.

Analysis:
HB 2461 A-Engrossed directs the Oregon Homeland Security Council to establish by rule a program to create the Oregon Critical Disaster Preparedness Stockpile to ensure Oregonians have access to supplies and equipment in an emergency, including personal protective equipment, communicable disease testing equipment, and all-hazards emergency surge supplies, that can be deployed on a regional basis. The stockpile program is to be administered by the Council in cooperation with county emergency management agencies, and the Office of Emergency Management using lessons learned from the COVID-19 pandemic, the 2020 Oregon wildfire season, and work of the Seismic Safety Policy Advisory Commission. By September 30, 2021, the Council, in consultation with the Oregon Health Authority (OHA) and other state agencies, must develop a comprehensive list of essential equipment, materials, supplies, distribution channels, and manufacturing capabilities necessary to create the Stockpile. After developing the list, the Council, in consultation with OHA, the Office of Emergency Management, the Oregon Business Development Department (OBDD), and the Department of Administrative Services, must adopt rules to implement the Stockpile. By December 31, 2021, the Council must report to a committee of the legislature on the progress of the Stockpile. The measure contains an emergency clause and takes effect upon passage.

Oregon Military Department (OMD) - Oregon Homeland Security Council and Office of Emergency Management
Although OMD cannot quantify the full fiscal impact of creating the Oregon Critical Disaster Preparedness Stockpile program, the agency estimates startup staffing costs to be $674,120 General Fund, 3 positions, and 3.00 FTE per biennium to establish one Operations and Policy Analyst 4 position, one Program Analyst 3 position, and one Administrative Assistant 2 position to begin the work of establishing this program, including developing a comprehensive list of essential equipment, materials, supplies, distribution channels, and manufacturing capabilities necessary to create the Stockpile. Because this list along with procurement and distribution metrics must be completed by September 30, 2021 in collaboration with a wide range of public and private entities, these positions are anticipated to start on July 1, 2021.

The scope of equipment, materials, supplies, distribution channels, and manufacturing capabilities necessary to create the Stockpile and therefore the cost for implementing the Stockpile is indeterminate at this time.

Oregon Business Development (OBDD)
OBDD estimates the fiscal impact of this measure to be $300,000 General Fund, 2 positions, 1.38 FTE for the 2021-23 biennium; and $319,400 General Fund, 2 positions, and 1.50 FTE for the 2023-25 biennium. This fiscal impact includes Department of Justice expenses as well as the personal services and related services and supplies for two positions: one full-time Procurement and Contract Specialist 2 position and one part-time Operations and Policy Analyst 2 position to manage the Oregon Resiliency Partnership Program. After the Council develops a comprehensive list of essential equipment, materials, supplies, distribution channels, and manufacturing capabilities necessary to create the Stockpile, the measure requires OBDD to establish the Oregon Resiliency Partnership Program to provide guaranteed and non-guaranteed purchase contracts with the State of Oregon for supplies or equipment included in the Oregon Critical Disaster Preparedness Stockpile. OBDD is directed to provide technical assistance and economic incentives to encourage participation in the program. This fiscal assumes that OBDD will not have a role in storing nor tracking the Stockpile nor have a lead role in determining the Stockpile parameters outside the direction of the Oregon Homeland Security Council.

Oregon Health Authority (OHA)
OHA estimates the fiscal impact of this measure to be $191,630 General Fund, 1 position, 0.78 FTE for the 2021-23 biennium; and $131,618 General Fund, 1 position, and 0.50 FTE for the 2023-25 biennium. This fiscal impact reflects the cost of one part-time Operations and Policy Analyst 3 position to work with existing staff in the Public Health, Health Security, Preparedness and Response Section who would be temporarily reassigned to determine materials to be included in the Stockpile. However, the Legislative Fiscal Office (LFO) notes that OHA should be able to assist the Oregon Homeland Security Council in developing the list and implementing the Stockpile with existing staff and resources and therefore not result in a net cost to the state.

Department of Administrative Services (DAS)
The fiscal impact of this measure on DAS is indeterminate but anticipated to be minimal. The measure requires the Council to consult with DAS in in adopting rules to implement the Stockpile.

Counties
The fiscal impact of this measure on sheriffs and county emergency management agencies is indeterminate depending on the level of collaboration and direction to be received from the Oregon Homeland Security Council.

This measure warrants a subsequent referral to the Joint Committee on Ways and Means for consideration of General Fund impact and position authority.

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