

**FISCAL IMPACT OF PROPOSED LEGISLATION**

**Measure: SB 1532 - 2**

81st Oregon Legislative Assembly – 2022 Regular Session  
Legislative Fiscal Office

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

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**Measure Description:**

Instructs Oregon State University Extension Service to expand Center for Small Farms and Community Food Systems through certain hiring.

**Government Unit(s) Affected:**

Higher Education Coordinating Commission (HECC), Oregon Business Development Department (OBDD)

**Summary of Fiscal Impact:**

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

**Summary of Expenditure Impact:**

	<b>2021-23 Biennium</b>	<b>2023-25 Biennium</b>
General Fund	\$1,081,281	\$2,234,030
Lottery Funds	100,000	
<b>Total Funds</b>	<b>\$1,181,281</b>	<b>\$2,234,030</b>

**Analysis:** The measure requires the Oregon Business Development Department to conduct a statewide market analysis of the economic impacts of Oregon’s organic products sector. In addition, the measure directs the Oregon State University (OSU) Extension Service to add five additional positions to the Center for Small Farms and Community Food Systems.

The Higher Education Coordinating Commission (HECC) anticipates that \$1,081,281 General Fund will be needed in the 2021-23 biennium for OSU Extension to hire five additional positions as of July 1, 2022, with an estimated rollup cost of \$2,234,030 General Fund in the 2023-25 biennium. The Legislative Fiscal Office (LFO) also notes that appropriations are generally not made directly to public universities such as Oregon State University but to HECC for distribution to a public university. Additionally, public university positions and FTE are not included in the state’s adopted budget.

The Oregon Business Development Department (OBDD) estimates that it will cost \$100,000 to procure an outside consultant to conduct the market study. The actual cost will not be known until completing the public procurement process. Although not specified by the agency or in the legislation, this fiscal impact denotes the funding source as Lottery Funds only to illustrate the possible use of that funding source.

This measure warrants a subsequent referral to the Joint Committee on Ways and Means for consideration of its budgetary impact on the State’s General Fund and Lottery Fund.