

FISCAL IMPACT OF PROPOSED LEGISLATION

Measure: HB 2763 - 1

82nd Oregon Legislative Assembly – 2023 Regular Session

Legislative Fiscal Office

Only Impacts on Original or Engrossed Versions are Considered Official

Prepared by: Haylee Morse-Miller
Reviewed by: Amanda Beitel, Walt Campbell, Tom MacDonald, Matt Stayner, Ben Ruef
Date: March 8, 2023

Measure Description:

Establishes State Public Bank Task Force.

Government Unit(s) Affected:

Department of Consumer and Business Services, Cities, Counties, Legislative Assembly, Legislative Policy and Research Office, Oregon Business Development Department, State Treasurer, Task Force/Committee/Workgroup

Summary of Fiscal Impact:

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

Analysis:

HB 2763 - 1 creates the 23-member State Public Bank Task Force which is to study and make recommendations regarding the establishment of a state public bank. Members of the task force must be appointed within 30 days after the effective date of the measure, the first meeting must occur within 45 days after the effective date, and the Legislative Policy and Research Director must begin to prepare a work plan for the task force within 52 days of the effective date. The task force is to submit a final report to an appropriate interim or standing committee of the Legislative Assembly by January 31, 2024.

The bill directs the Legislative Policy and Research Office to provide staff support for the task force, and the task force may apply for public or private grants. All members of the task force are entitled to compensation and expenses. The measure declares an emergency and takes effect on passage. The task force sunsets on January 2, 2025.

Legislative Policy and Research Office

The bill requires the Legislative Policy and Research Office (LPRO) to provide staff support to the task force. LPRO assumes a minimal fiscal impact with existing staff to provide support to this Task Force. Assuming biweekly meetings occur from when the task force is appointed to when the report is due in January 2024, this will require two Senior Legislative Analysts each assigned part-time to the task force (each 0.25 FTE), one Research Analyst assigned with one-third of their time to the task force (0.08 FTE), and one Committee Assistant assigned part-time (0.13 FTE), at a total cost of \$184,184 using existing General Fund resources. Because non-legislative members are eligible for compensation and expenses, LPRO anticipates additional costs of approximately \$41,700 General Fund should all 19 non-legislative members request compensation, based on an estimated 10 meetings held.

LPRO notes that additional costs may be incurred if the task force significantly enlarges the scope of its work, including creating workgroups or committees; or exercises the option to study “other relevant” issues as directed by this measure, which may require additional expertise or staffing resources. Additionally, the task force sunsets nearly a year after reporting requirements are completed, and the extended timeline could result in additional meeting costs or staffing needs.

Although LPRO’s current service level budget supports interim committees and task forces, if the work required by this task force, or if the cumulative enactment of other legislation with interim committees and task forces

exceeds expenditure levels beyond those assumed in the 2023-25 budget, additional General Fund resources may be required.

Legislative Assembly

The bill is expected to have a minimal impact on the Legislative Assembly. Four members of the task force will be legislative members who are entitled to per diem and travel reimbursement. Meetings are set by the chairperson and it is unknown how often the task force would meet. However, assuming the task force meets 10 times, the estimated per diem and travel reimbursement costs will total \$11,200. This amount includes the Federal Insurance Contribution Act (FICA) tax, assumes the per diem remains at \$157 per day, and estimates an average mileage of 171 miles at the current rate of \$0.655 per mile. This estimate could change based on the number of meetings held. The task force would not incur additional costs to the Legislative Assembly budget if the meetings are held at the Capitol building during the Legislative Session, or Task Force or Legislative Days.

Although the 2023-25 Legislative Assembly budget contains funds allocated for interim committees and task forces, if the work required by this task force, or if the cumulative enactment of other legislation with interim committees and task forces exceeds expenditure levels beyond those assumed in the 2023-25 budget, additional General Fund resources may be required.

Other agencies

This measure has a minimal impact for the Oregon Business Development Department and Oregon State Treasurer, and no fiscal impact for cities, counties, and Department of Consumer and Business Services.