

FISCAL IMPACT OF PROPOSED LEGISLATION

Measure: HB 3575 - 2

82nd Oregon Legislative Assembly – 2023 Regular Session

Legislative Fiscal Office

Only Impacts on Original or Engrossed Versions are Considered Official

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Date: March 22, 2023

Measure Description:

Instructs Water Resources Commission to make funding decisions for loans and grants awarded from Water Supply Development Account twice each year.

Government Unit(s) Affected:

Water Resources Department, Department of Agriculture, Oregon Business Development Department, Department of Fish and Wildlife, Department of Environmental Quality

Summary of Fiscal Impact:

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

Summary of Expenditure Impact:

	2023-25 Biennium	2025-27 Biennium
Water Resources Department		
General Fund		
Personal Services	\$132,194	\$165,581
Services and Supplies	\$20,925	\$27,900
Total General Fund	\$153,119	\$193,481
Total Fiscal Impact	\$153,119	\$193,481
<i>Total Positions</i>	2	2
<i>Total FTE</i>	0.57	0.75

Analysis:

HB 3575 - 2 directs the Water Resources Commission to make grant and loan funding decisions for awards from the Water Supply Development Account at least twice per year, instead of once per year. Applications that pass preliminary review are forwarded to a technical review team with representatives from the Water Resources Department (WRD), Oregon Department of Fish and Wildlife (ODFW), Oregon Business Development Department (OBDD), Department of Environmental Quality (DEQ), and Oregon Department of Agriculture (ODA). The measure takes effect January 1, 2024.

Adding additional grant funding cycles will increase the administrative work done by WRD, including review of applications, coordination of the review team, preparation of materials, and development and administration of grant agreements. WRD would hire one permanent, part-time Program Analyst 4 (0.38 FTE in 2023-25 and 0.50 FTE in 2025-27) to perform this increased work. The agency would also hire one Accountant 1 position (0.19 FTE in 2023-25 and 0.25 FTE in 2025-27) to process and finalize grant agreements and distribute and track funds. Total costs of these positions are estimated at \$150,119 General Fund in the 2023-25 biennium, and \$193,481 General Fund in the 2025-27 biennium.

For the past biennium, the agency had two limited duration positions filling a similar role. WRD may be able to use the additional positions identified herein to absorb some similar grant duties. WRD also notes that it may be difficult to hire for positions with limited FTE.

There is no fiscal impact for ODFW, OBDD, DEQ, and ODA.

This measure warrants a subsequent referral to the Joint Committee on Ways and Means for consideration of its budgetary impact.