

**FISCAL IMPACT OF PROPOSED LEGISLATION**

**Measure: HB 3031 - 5**

82nd Oregon Legislative Assembly – 2023 Regular Session

Legislative Fiscal Office

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

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**Measure Description:**

Requires Department of Education to study matters related to ventilation and energy efficiency in schools.

**Government Unit(s) Affected:**

School Districts, Oregon Department of Education

**Summary of Fiscal Impact:**

Costs related to the measure are indeterminate at this time - See explanatory analysis.

**Analysis:**

House Bill 3031, as amended by the -5 amendments, requires school districts to expend state and federal funds made available for indoor heating, ventilation, and air conditioning (HVAC) infrastructure improvements to carry out the provisions of this measure. However, the measure exempts school districts from carrying out its provisions until such funds are expended.

The measure requires school districts to have ventilation verification assessments performed by qualified testing personnel every five years; place carbon dioxide monitors in every classroom; have qualified testing personnel assess carbon dioxide monitors; obtain an HVAC assessment report done by qualified testing personnel; perform adjustments, repairs, upgrades, or replacements recommended by a mechanical engineer; and submit HVAC verification reports to the Oregon Department of Education (ODE). The measure also establishes apprenticeship, safety, and benefit and wage requirements for school district contractors carrying out indoor HVAC infrastructure improvements. ODE may adopt rules to carry out the provisions of this measure. The measure takes effect on January 1, 2024.

**School Districts**

The fiscal impact to school districts is presently indeterminate. School districts are only required to conduct the HVAC infrastructure improvements specified in the measure if state and federal funds are expended for such purposes. It is unknown whether state and federal funds will be allocated to school districts to conduct the HVAC infrastructure improvements outlined in this measure. Until state and federal funds are so expended, there would be no fiscal impact to school districts.

Assuming such funds are expended, the fiscal impact to school districts would likely vary from district to district, as it would depend on the extent of the HVAC infrastructure improvements undertaken and the prevailing wage rate requirements for school district contractors. Prevailing wage rates will vary depending on the type of work performed, the county in the which the work is performed, and the date when school districts first advertise the projects.

**Oregon Department of Education**

The measure is anticipated to have a minimal fiscal impact on ODE.