

FISCAL IMPACT OF PROPOSED LEGISLATION

Measure: HB 2605 - A

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:

Appropriates General Fund to the Department of Administrative Services to issue grants to the University of Oregon for the Agora Journalism Center and the Fund for Oregon Rural Journalism. Requires the grant recipients to form a work group and submit a public report on its findings by December 1, 2024.

Government Unit(s) Affected:

Department of Administrative Services, University of Oregon for the Agora Journalism Center

Summary of Fiscal Impact:

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

Analysis:

House Bill 2605 A-engrossed appropriates \$2,900,000 General Fund to the Department of Administrative Services (DAS) in the 2023-25 biennium to issue grants to the University of Oregon for the Agora Journalism Center and the Fund for Oregon Rural Journalism. The grant recipients must convene a work group that, to the greatest extent possible, includes representatives from organizations supporting local journalism or representing local journalistic publications in Oregon, academic departments related to journalism, nonprofit organizations performing work related to journalism, the philanthropic sector, and civic organizations in Oregon. The work group must create a local journalism resource center to support local journalism and must develop and implement a program to issue subgrants to fund initiatives to meet the local information needs of Oregon communities. The work group also must research local news and information ecosystems across the state and submit a public report on its findings by December 1, 2024. The measure takes effect on January 1, 2024, and it is repealed on January 2, 2026.

Department of Administrative Services

The measure is anticipated to have minimal fiscal impact on DAS. The measure directs DAS to execute a grant agreement with the grant recipients. DAS will administer the grant and distribute special payments as part of its normal operations with existing staff and resources.

University of Oregon

While the measure is anticipated to have a fiscal impact on the University of Oregon, it should be noted that state financial support for public university educational programs is typically considered as part the Higher Education Coordinating Commission's budget development process. However, this measure appropriates funds to DAS to distribute to the University of Oregon – \$1,210,000 for the Agora Journalism Center and \$1,690,000 to the Fund for Oregon Rural Journalism. The University of Oregon anticipates using these funds to cover the costs of convening a work group and overseeing the work to identify and support local journalism initiatives, which is anticipated to include staffing expenses. The Director of the Agora Journalism Center would oversee the work group and project and would be assisted by level I and II graduate assistants. Remaining funds would be used to develop an evaluation process for grants; consortium member support; travel; venue; and facilitators for convening in-person sessions; hosting symposia; and general project management. Additionally, \$500,000 would be allocated in grants to support local journalistic publications, and \$30,000 in indirect costs would cover the University's costs for buildings, payroll, human resources, and other services generally provided by the University.

The measure warrants a subsequent referral to the Joint Committee on Ways and Means for consideration of its impact to the State's General Fund.