

FISCAL IMPACT OF PROPOSED LEGISLATION

Measure: HB 2178

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 state agencies to include, as part of agency request budget, analysis of extent to which goods and services can be acquired from work programs operated by Department of Corrections or Oregon Corrections Enterprises.

Government Unit(s) Affected:

Department of Administrative Services, Department of Corrections, Statewide

Summary of Fiscal Impact:

Costs related to the measure are anticipated to be minimal - See explanatory analysis.

Analysis:

HB 2178 requires each agency request budget to include an analysis of the extent to which goods and services the agency plans to procure in the next biennium can be acquired from work programs operated by the Department of Corrections (DOC) or Oregon Corrections Enterprises. Agencies are to consult with DOC or Oregon Correction Enterprises for their analysis. The measure takes effect January 1, 2024.

The overall fiscal impact of this measure is anticipated to be minimal, with most agencies reporting that this will increase workload on a short-term basis during the biennial budget preparation process. Some agencies note that projecting procurement needs during preparation of the agency request budget, which is done over a year before the next biennium begins, may be difficult as many purchasing needs will not yet be defined.

DOC anticipates that there could be an increase in inquiries under this measure, but does not anticipate that this will require additional staffing at this time. The agency may also see an increase in revenue as a result of more goods and services being acquired through Oregon Corrections Enterprises.

Agencies that have extensive procurement needs may need to return to the Emergency Board or a future legislative session to request an appropriation or additional expenditure limitation, to hire temporary or limited-duration staff during the budget preparation process. Additional resource needs will be dependent on the guidance provided by DAS in the biennial budget instructions, about the scope and requirements of the analysis that is directed under this measure.