FISCAL IMPACT OF PROPOSED LEGISLATION **Measure: SB 99 - MRA**
82nd Oregon Legislative Assembly – 2023 Regular Session
Legislative Fiscal Office
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Measure Description:
Establishes the Commission on Older Adults on Fixed Incomes Who Are Affected by Inflation.

Government Unit(s) Affected:
Department of Human Services, Long Term Care Ombudsman, Office of the Governor, Task Force/Committee/Workgroup, Housing and Community Services Department

Summary of Fiscal Impact:
Costs related to the measure are indeterminate but may require budgetary action - See analysis.

Analysis:
SB 99-MRA establishes the Commission on Older Adults on Fixed Incomes Who Are Affected by Inflation. The commission will raise awareness, increase advocacy and opportunities, and provide recommendations on changes the governor, legislature, and state agencies can make to improve outcomes for older adults on fixed incomes who are affected by inflation. The commission is permitted to receive grants and gifts to support the commission's duties. Any funds received by the commission are to be deposited into the General Fund and continuously appropriated to the commission. By June 30th of every even year, the commission must submit a report on its activities and recommendations to the governor, the director of the Department of Human Services, the chief clerk of the House of Representatives, the secretary of the Senate, and the interim legislative committees on human services.

The commission is comprised of 12 members: one nonvoting member appointed by the President of the Senate, one nonvoting member appointed by the Speaker of the House of Representatives, the director of the Housing and Community Services Department, and nine members appointed by the Governor who must meet specific requirements. The commission is required to meet at least once every three months. With the measure's January 1, 2024 effective date, a minimum of six meetings will be held in the 2023-25 biennium.

The two legislative members are entitled to per diem and travel reimbursement. Assuming the task force meets six times during the biennium (the measure minimum), the per diem and travel reimbursement for these members would be $3,228. 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 2023–25 Legislative Assembly budget contains funds allocated for interim committees and task forces. If the work required by this task force or 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. Commission members appointed by the Governor are eligible for compensation, which is estimated to be $8,370 based on the minimum of six meetings in 2023–25. The measure requires the commission to appoint a director and permits the commission to establish technical and advisory committees, though members of these committees are not eligible for compensation.

Other aspects of the measure's fiscal impact are indeterminate, including the source of funds available to support the commission as well as potential staffing costs related to program support and administration. The only revenue sources identified in the measure for the commission are grants and gifts, which are not expected to be available on the commission's operative date. Absent an alternative source of funding, a General Fund appropriation would be required to implement and administer the commission, including the appointment of a director and compensating commission members.
The measure does not establish the commission within a state agency or otherwise identify a state agency responsible for supporting the commission's work, which will presumably be necessary. Administrative costs could vary depending on the state agency responsible for this work. The Department of Human Services has indicated, for instance, that the agency anticipates the commission's workload necessitating up to four program staff. The actual workload of the commission may require less support. Likewise, a different state agency might be able to support the commission with fewer staff or entirely without new staff.

Additionally, the measure directs the commission to transfer any grants or gifts directly to the General Fund and continuously appropriates any such monies deposited into the General Fund to the commission. When a continuous appropriation is permitted without a separate and distinct fund, the entity has unrestricted access to moneys in the General Fund. The creation of a separate fund for the deposit of moneys received by the commission would help establish the accounting and budgetary structure typical of programs with a dedicated source of revenue.

As currently written, the measure has a minimal impact on the Department of Human Services, Housing and Community Services Department, and Office of the Governor. The measure has no fiscal impact on the Long Term Care Ombudsman.