

**REVENUE IMPACT OF
PROPOSED LEGISLATION**
82nd Oregon Legislative Assembly
2023 Regular Session
Legislative Revenue Office

Bill Number:	HB 2238 - B
Revenue Area:	School Finance
Economist:	Dae Baek
Date:	05/17/2023

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

Measure Description:

Authorizes the Director of the Department of State Lands (DSL) to adopt rules establishing tiered fees related to specified removal or fill permit applications, wetland delineation reports and general authorizations. Establishes a holding period, notification process, and opportunity to claim, for specified personal properties found and collected on lands managed by DSL.

Revenue Impact: Indeterminate

Impact Explanation:

The measure allows the State Land Board to establish administrative fees for certain removal or fill permitting and wetland delineation reviews through rulemaking. The Department of State Lands (DSL) analyzed financial data for the past six years and determined that the Common School Fund (CSF) expends, on average, \$1.65 million annually to cover removal or fill program costs. DSL adds that fees paid by permit applicants cover about 1/4 of removal or fill permit program costs. Consequently, an increase in fees paid by applicants would reduce expenditures from the CSF.

The measure also exempts DSL from the unclaimed property statutes which require the holding of personal property for up to two years. By shortening the holding period, the change is expected to save DSL expenditures on maintenance and cleanup of state-owned lands, allowing DSL to draw less from the CSF corpus.

With these two changes, the measure is likely to reduce expenditures from CSF, thus increasing the CSF corpus. However, with fee structure yet to be determined and a lack of data going forward, it is not possible to directly quantify the impact on the CSF. Currently, 3.5% of three-year moving averages of CSF year end balances are distributed to school districts each fiscal year. These distributions become part of formula revenues available for distribution to school districts and education service districts.