

FISCAL IMPACT OF PROPOSED LEGISLATION**Measure: SB 678 - 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:

Establishes state policy for offshore wind energy development. Appropriates \$250,000 General Fund to the Department of Land Conservation and Development.

Government Unit(s) Affected:

Public Utility Commission, Department of Energy, Higher Education Coordinating Commission, Office of the Governor, Special Districts Association of Oregon, Counties, Confederated Tribes of Coos, Lower Umpqua and Siuslaw Indians, Coquille Indian Tribe, Department of Land Conservation and Development

Summary of Fiscal Impact:

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

Analysis:

The measure establishes the state policy for offshore wind energy development. The measure provides a one-time \$250,000 General Fund appropriation to the Department of Land Conservation and Development (DLCD) in the 2023-25 biennium and directs the agency, through the Oregon Coastal Management Program, to conduct outreach and engage and coordinate with state agencies, local governments, and affected communities to carry out the specified policies outlined in the measure. The measure requires DLCD to conduct or support federal consistency reviews of offshore wind leasing decisions and related actions on the Oregon coast made by the federal Bureau of Ocean Energy Management. The measure also authorizes the agency to engage a consultant to support DLCD to carry out the required provisions.

DLCD is to draft a report that summarizes the Department's actions to carry out the specified provisions, outlines state policies related to offshore wind development, and provides recommendations for improving state policies or further agency action. The measure requires DLCD to submit the draft report by December 31, 2024 to the interim committees of the Legislative Assembly related to energy. The measure declares an emergency and is effective upon passage.

The measure appropriates \$250,000 General Fund to DLCD in the 2023-25 biennium. However, the total estimated cost for DLCD to enact this measure is \$318,686 General Fund in the 2023-25 biennium. This includes \$203,378 in personal services costs for one limited duration full-time Planner 3 (0.88 FTE) to coordinate and review the draft report; \$100,000 to contract for facilitation and outreach; and \$15,308 in position-related services and supplies.

There is a minimal fiscal impact to the Confederated Tribes of Coos, Lower Umpqua and Siuslaw Indians, Coquille Indian Tribe, and counties. There is no fiscal impact to the Higher Education Coordinating Commission, Office of the Governor, Public Utility Commission, Oregon Department of Energy, or special districts.

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