

Legislative Fiscal Office 83rd Oregon Legislative Assembly 2025 Regular Session

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Bill Title: Relating to recreation; declaring an emergency.

Government Unit(s) Affected: Department of Consumer and Business Services, Oregon Business Development Department, Judicial Department

Summary of Fiscal Impact

The measure is anticipated to have a fiscal impact on the Oregon Business Development Department and the Department of Consumer and Business Services - see explanatory analysis.

Measure Description

The measure provides than an operator of a recreational service may require a person who engages in a sport, fitness, or recreational activity to release the operator from claims of ordinary negligence. The measure directs the Oregon Business Development Department (OBDD) to conduct a study on the impacts of climate change on the recreation industry. The study must include a sub-report by the Department of Consumer and Business Services (DCBS) that examines the impact of climate change on insurance rates in the recreation sector. Upon completion, OBDD must submit the report to an interim legislative committee related to the environment.

The measure provides a one-time \$100,000 General Fund appropriation to OBDD in the 2025-27 biennium to conduct the study and reimburse DCBS for its part of the study.

Fiscal Analysis

The measure appropriates \$100,000 General Fund to OBDD to conduct the study and reimburse DCBS for its costs. Based on the cost of other sector-specific studies that OBDD has recently conducted, OBDD would contract with a third-party vendor to conduct its part of the study at an estimated cost of \$100,000 General Fund. Based on recent professional services contracts, OBDD anticipates that the amount included in the measure would be insufficient to reimburse DCBS, which would also contract with a third-party vendor for its part of the study. OBDD would not require any additional staffing to conduct the study.

Based on the cost of other related studies that DCBS has conducted with third-party vendors, DCBS anticipates the cost of the study to be approximately \$250,000. DCBS would not require any additional staffing to conduct the study.

Therefore, the fiscal impact of the measure is \$350,000 General Fund in the 2025-27 biennium. OBDD would use \$100,000 for the study and \$250,000 to reimburse DCBS. However, DCBS would need additional Other Funds expenditure limitation in the 2025-27 biennium to expend the funds transferred from OBDD. The measure would have no fiscal impact on OBDD and DCBS in the 2027-29 biennium.

The measure is anticipated to have a minimal fiscal impact on the Oregon Judicial Department.

Relevant Dates

The measure declares an emergency and takes effect on passage.

OBDD must submit the report to an interim legislative committee related to the environment by September 15, 2026. This reporting requirement sunsets on January 2, 2027.