

Legislative Fiscal Office 83rd Oregon Legislative Assembly 2025 Regular Session

Prepared by: Roxanne Adams

Reviewed by: Steve Robbins, Ben Ruef, Kim To, April McDonald, John Terpening, Katie Bannikov

Date: May 20, 2025

Bill Title: Relating to ensuring that forced labor is not used for electric products that public bodies procure; declaring an emergency.

Government Unit(s) Affected: Legislative Assembly, Department of Corrections, Parks and Recreation Department, Department of Energy, Department of Transportation, Department of Forestry, Department of Administrative Services

Summary of Fiscal Impact

Costs related to the measure are indeterminate at this time - see explanatory analysis.

Measure Description

The measure creates the 11-member Task Force on Ethical Procurement to devise methods for verifying the identities of manufacturers, distributors, vendors or suppliers of products that public bodies procure, with particular emphasis on electric vehicles (EV) and other electric products. The task force shall also develop methods to ensure public bodies do not procure products where production, including the mining of constituent materials and sourcing of parts, assembly, transportation or sale of the products, used or involved forced labor or oppressive child labor. The Department of Administrative Services (DAS) is directed to provide staff support for the task force.

Fiscal Analysis

The total estimated fiscal impact of the measure is indeterminate, depending on the amount of research, analysis, and Department of Justice consultation required by the task force.

Department of Administrative Services

The measure requires the DAS Director or designee to participate on the task force as a member and requires DAS to provide staffing support for the task force. Assuming monthly meetings for 15 months, this will require one Operations and Policy Analyst 3 position assigned part-time to the task force (0.50 FTE) and one Executive Support Specialist 2 position assigned part-time to the task force (0.33 FTE). Although the Department's current service level budget supports the fiscal impact of staffing and participating on a task force at this level, if the research and analysis required by the task force exceeds this assumed level of part-time staffing, DAS may need additional General fund resources. In addition, the task force may require extensive consultation with the Department of Justice (DOJ) on proposed recommendations and related rule and policy revisions. The costs associated with Attorney General fees will be dependent on total hours billed and cannot be quantified at this time. The current rate for DOJ legal counsel is \$275 per hour.

Legislative Assembly

The bill is also expected to have a minimal impact on the Legislative Assembly. Although the 2025-27 Legislative Assembly budget contains funds allocated for interim committees and task forces, if the work required by this task force, or if the cumulative enactment of other legislation with interim committees and task forces exceeds expenditure levels beyond those assumed in the 2025-27 budget, additional General Fund resources may be required.

Measure: HB 2425 - A5

Legislative members of the task force are entitled to per diem and travel reimbursement. The task force would not incur additional costs to the Legislative Assembly if the meetings are held at the Capitol building during a Legislative Session, Task Force Days, or Legislative Committee Days.

Other Entities

The measure has minimal fiscal impact to remaining state agencies for participation on the task force.

Relevant Dates

The bill declares an emergency and takes effect on passage, and the task force sunsets on December 31, 2026.

The task force is to report to an interim committee of the Legislative Assembly related to public procurement by December 15, 2026.

Measure: HB 2425 - A5