

SB 565 A STAFF MEASURE SUMMARY

Senate Committee On Natural Resources and Wildfire

Action Date: 04/01/25

Action: Do pass with amendments and requesting referral to Ways and Means. (Printed A-Engrossed.)

Vote: 5-0-0-0

Yeas: 5 - Girod, Golden, Nash, Prozanski, Taylor

Fiscal: Fiscal impact issued

Revenue: No revenue impact

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Meeting Dates: 3/18, 3/27, 4/1

WHAT THE MEASURE DOES:

The measure directs the State Parks and Recreation Department (OPRD) to study options for establishing a sustainable funding model to address revenue shortfalls in state park operations and grants the OPRD control over State Capitol State Park, while limiting the Department of Administrative Services authority to the Capitol Area.

Detailed Summary:

Directs State Parks and Recreation Department (OPRD) to study options for establishing a sustainable funding model to address revenue shortfalls in state park operations, assessing the

- feasibility of generating sufficient revenue to cover state park expenses.
- department operations or programs that generate disproportionate funding and may be better suited for a different organizational structure.
- statutory or regulatory barriers that hinder addressing the unique needs of the state parks system.
- feasibility of expanding state campgrounds in high-demand areas, including locations within 25 miles of the Oregon coast.
- addressing maintenance and repair needs of aging park infrastructure to ensure sustainability for future generations.
- options for establishing new revenue sources to sustainably fund state parks while protecting Oregon's natural environment and meeting recreational needs.

Requires OPRD to submit a report on state park funding and operations to the interim committees of the Legislative Assembly relating to State Parks no later than September 15, 2026. Sunsets January 2, 2027.

Amends definition of "Capitol area" to add the grounds immediately surrounding the State Capitol bordered by State Street on the south, Court Street on the north, Cottage Street on the west, and Waverly Street on the east. Repeal provisions establishing State Capitol State Park and transfers management and control of "Capitol area" from OPRD to Department of Administrative Services (DAS), including records, property, and employees.

Authorizes the Governor to resolve any disputes during the transition. This change will take effect on January 1, 2029, but DAS may begin necessary actions before that date.

Takes effect the 91st day following adjournment sine die.

ISSUES DISCUSSED:

- Oregon Parks and Recreation Department (OPRD) operating budget
- Capitol grounds management between Department of Administrative Services and OPRD

EFFECT OF AMENDMENT:

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The amendment directs the State Parks and Recreation Department (OPRD) to study options for establishing a sustainable funding model to address revenue shortfalls in state park operations and grants the OPRD control over State Capitol State Park, while limiting the Department of Administrative Services (DAS) authority to the Capitol Area. Authorizes the Governor to resolve any disputes during the transition. This change will take effect on January 1, 2029, but DAS may begin necessary actions before that date. Requires OPRD to submit a report on state park funding and operations to the interim committees of the Legislative Assembly relating to State Parks no later than September 15, 2026. Sunsets January 2, 2027. Takes effect the 91st day following adjournment sine die.

BACKGROUND:

Oregon State Parks (OPRD) are funded by three main sources: state lottery funds, user fees, and recreational vehicle registration dollars. The agency is not supported by taxpayer's general fund dollars. OPRD operates within a fixed budget, and current regulations limit alternative revenue streams such as public-private partnerships, concessions, and specific visitor experiences. OPRD raised its park fees for users in the 23-25 biennium.

Currently, the Department of Administrative Services controls and manages State Capitol State Park, while OPRD controls and manages the Capitol Area. OPRD currently covers the full cost for landscaping and maintaining the area at a cost of two million dollars per biennium.