2007 Regular Legislative Session FISCAL ANALYSIS OF PROPOSED LEGISLATION Prepared by the Oregon Legislative Fiscal Office

MEASURE NUMBER: SB 505 STATUS: Original

SUBJECT: Temporary stop to time periods relating to written demands for compensation

GOVERNMENT UNIT AFFECTED: Department of Administrative Services, Department of Land

Conservation and Development, and the Department of Justice

PREPARED BY: Dawn Farr

REVIEWED BY: Susie Jordan, Dallas Weyand, Doug Wilson

DATE: February 15, 2007

EXPENDITURES:

See Comments.

EFFECTIVE DATE: On passage.

GOVERNOR'S BUDGET: This bill is not anticipated by the Governor's recommended budget.

LOCAL GOVERNMENT MANDATE: This bill does not affect local governments' service levels or shared revenues sufficient to trigger Section 15, Article XI of the Oregon Constitution.

COMMENTS: The bill temporarily stops time periods relating to written demands for compensation under ORS 197.352, until June 30, 2007 or adjournment sine die, whichever occurs first. The bill excludes written demands for compensation for land use regulations relating to building one single-family dwelling, and dividing land for the purpose of building one single-family dwelling.

The bill indicates that public entities may continue to review written demands for compensation, but that the State of Oregon may not issue a final order and a local government may not issue a decision concerning the demand. This means that some work that would otherwise have been completed during the 2005-07 is now being transferred to the 2007-09 biennium. While the actual costs to process work may remain the same with the stopped time periods, there was a surge in filings in December 2006. The workload impacts associated with the December surge are not currently funded in the 2005-07 biennium. This bill would alleviate the need to allocate additional funds in the 2005-07 biennium; however, the costs associated with the December surge are not currently quantified or reflected in the Governor's Recommended Budget for 2007-09.