

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

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**MEASURE NUMBER:** SB 580

**STATUS:** Original

**SUBJECT:** Oregon Innovation Council establishment of a signature research center for the research and development of renewable energy, biologically based products, and other emerging sustainable products or services and the establishment of a second research center for the research and commercialization relating to drug development in the area of infectious disease and vaccines, cancer, and neuroscience.

**GOVERNMENT UNIT AFFECTED:** Oregon Economic and Community Development Department

**PREPARED BY:** John F. Borden

**REVIEWED BY:** Robin LaMonte

**DATE:** February 28, 2007

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**2007-2009**

**2009-2011**

**EXPENDITURES:**

See Comments

**REVENUES:**

See Comments

**EFFECTIVE DATE:** July 1, 2007

**GOVERNOR'S BUDGET:** *This bill is anticipated by the Governor's recommended budget in the Oregon Economic and Community Development Department's budget bill, SB 5508. Furthermore, SB 581 appears to allocate moneys from the Department of Administrative Services Economic Development Fund for SB 580 along with other Oregon Innovation Council expenditure proposals for the 2007-09 biennium.*

**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:** This measure directs the Oregon Innovation Council to establish a signature research center for the research and development of renewable energy, biologically based products, and other emerging sustainable products or services as well as a second research center for the research and commercialization relating to drug development in the area of infectious disease and vaccines, cancer, and neuroscience.

The funding for this measure is assumed to be contained in SB 581, which establishes a Lottery Fund expenditures limitation for the Oregon Innovation Council's Oregon Innovation Fund. Sections 1(g) and (f) of that measure allocates \$3 million for renewable energy, biologically based products, and other emerging sustainable products or services and \$7 million for commercialization relating to drug development in the area of infectious disease and vaccines, cancer, and neuroscience, respectfully. The source of these funds would be the Department of Administrative Services Economic Development Fund, which is comprised of Lottery Funds. The Oregon Economic and Community Development Department, which has budgeted these funds as part of its 2007-09 Governor's recommended budget, would be allocated these funds and then pass them through to the Oregon Innovation Council, who in turn would

use the funds to establish the two research centers. The amounts detailed are for the 2007-09 biennium only. SB 581 does not provide for an allocation during the 2009-11 biennium.

The Legislative Fiscal Office believes this measure warrants a subsequent referral to the Joint Committee on Ways and Means Committee (JCWM). This would allow concurrent consideration of SB 580 and its companion measure SB 581, which currently does have a subsequent referral to the JCWM.