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

MEASURE NUMBER: HB 2101STATUS: OriginalSUBJECT: Increasing and creating new fees collected by the Water Resources DepartmentGOVERNMENT UNIT AFFECTED: Water Resources DepartmentPREPARED BY: Dawn FarrREVIEWED BY: Paul SiebertDATE: February 13, 2007

EXPENDITURES:

See Comments.

	<u>2007-2009</u>		<u>2009-2011</u>	
REVENUES:				
Increased Fees – Other Funds	\$	235,850	\$	235,850
New Fees – Other Funds	\$	243,480	\$	243,480
	\$	479,330	\$	479,330

POSITIONS / FTE:

See Comments.

EFFECTIVE DATE: On passage.

GOVERNOR'S BUDGET: This bill is 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: This bill allows the Water Resources Department (WRD) to increase existing fees and add new fees to the fee structure for water fees found in ORS 536.050, Section 1. The bill makes 25 distinct fee adjustments that the WRD projects will result in increased Other Fund Revenues of \$479,330 for both the 2007-2009 and 2009-2011 biennia. Increased fees account for \$235,850 and new fees \$243,480 of this total. Calculations assume 24 months of fees at the increased levels for the 2007-2009 biennium.

Passage of the bill would preserve WRD's current service levels. Revenues generated would allow for continued funding of two limited duration, Natural Resource 2 positions (2.0 FTE) that process water right transfer applications. Related expenditures and are as follows:

Personal Services:	\$ 223,025
Services and Supplies:	26,320
Total Other Fund Expenditures:	\$ 249,345

WRD is projecting a program ending balance of zero for the 2005-2007 biennium. If this bill does not pass, the department will lose the 2 limited duration positions and anticipates incurring revenue shortfalls in the 2007-09 biennium that could lead to further staff reductions. Reduced staffing would increase the application backlog.