

2008 Special Session
FISCAL ANALYSIS OF PROPOSED LEGISLATION
Prepared by the Oregon Legislative Fiscal Office

MEASURE NUMBER: HB 3608

STATUS: -A

SUBJECT: Authorizes implementation procedures for the international assistance compact entered into by the States of Oregon, Washington, Idaho and Alaska, the Province of British Columbia and the Yukon Government.

GOVERNMENT UNIT AFFECTED: Oregon Military Department, State Agencies

PREPARED BY: Tim Walker

REVIEWED BY: John Borden, Doug Wilson, and Susan Jordan

DATE: February 5, 2008.

2007-2009

2009-2011

EXPENDITURES:

Indeterminate (See Below)

EFFECTIVE DATE: On passage.

INTERIM JOINT COMMITTEE ON WAYS AND MEANS: The budgetary impact of this bill has not been reviewed by the Interim Joint Committee on Ways and Means Committee and is not included in the omnibus budget bill to be introduced by the committee.

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.

ANALYSIS: HB 3608 outlines a broad agreement between the State of Oregon, Washington and Idaho and the Canadian provinces of British Columbia and Yukon Government. The agreement, known as the Pacific Northwest Emergency Management Arrangement (PNEMA), outlines the general principles under which the various signatories will provide mutual aid in the case of a natural or manmade disaster and planning mechanisms that may be undertaken by the signatories. The emergency services described in PNEMA, include but are not limited to, fire services, emergency medical, transportation, communications, public works and engineering, building inspection, planning and information services, mass care, resource support, health and medical services, and search and rescue. PNEMA requires "best effort" from the signatories and in the case of a widespread disaster it is expected that the signatories will provide assistance as they are able and not take away from their own immediate emergency needs. Because this is an international agreement, approval of the agreement by Congress was necessary and Congress has formally approved the agreement.

The fiscal impact of this bill is indeterminate. Article IX of the agreement anticipates that the signatory requesting aid will reimburse the signatory providing for loss, damages, and expenses incurred in the provision of services. This Article also contemplates that signatories may negotiate supplementary agreements that specify a different allocation of costs. For example, Oregon could negotiate an agreement with Washington that specifies that Oregon will be reimbursed for expenses according to Federal Emergency Management Agency (FEMA) requirements. In this case Oregon may only be reimbursed for a percentage of the costs and, therefore, it could have a General Fund impact. Or, if Oregon were to agree to a full reimbursement to a signatory providing aid, the state may pass through the FEMA reimbursement, but still be responsible for the 25% that FEMA does not reimburse. Again, this may have a General Fund impact. In addition, it is not possible to know the size and scope of potential

disasters that may trigger a response under this agreement and therefore it is not possible to know the potential scope of the fiscal impact.

The language in the bill is permissive and on its face does not appear to compel the state or state agencies to one course of action or another. There is some level of regional planning that would need to occur, but the Legislative Fiscal Office believes that these activities are currently underway within the Oregon Military Department, Emergency Management Division. The agencies that may be affected include but are not limited to, Oregon Department of Forestry, Oregon Military Department, Oregon Department of Transportation, Oregon State Police and the Department of Corrections. Under current mutual aid agreements, the Emergency Management Director is authorized to respond to mutual aid requests on behalf of the Governor. Likewise, the Emergency Management Director is authorized to request mutual aid on behalf of the Governor. Acting in this capacity, the Executive Branch could potentially commit the expenditure of General Funds without the explicit authorization of the Legislature.