

2009 Regular Legislative Session
FISCAL ANALYSIS OF PROPOSED LEGISLATION
Prepared by the Oregon Legislative Fiscal Office

MEASURE NUMBER: HB 2437 **STATUS:** A Engrossed
SUBJECT: Requires the Department of Transportation to conduct a study on the feasibility of constructing a highway between Coos Bay and Ontario, Oregon.
GOVERNMENT UNIT AFFECTED: Department of Transportation
PREPARED BY: Robin LaMonte
REVIEWED BY: Susie Jordan
DATE: April 23, 2009

	<u>2009-2011</u>	<u>2011-2013</u>
EXPENDITURES: General Fund – See Comments		

EFFECTIVE DATE: The bill contains an emergency clause and is effective 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.

ANALYSIS: HB 2437 provides an unspecified General Fund appropriation to pay the cost for the Department of Transportation (ODOT) to study the feasibility of constructing a highway between Coos Bay and Ontario, Oregon. The Legislative Fiscal Office notes that this study is a constitutional use of Highway Trust Funds, which could be used in lieu of the General Fund appropriation. The bill requires ODOT to report to the interim House and Senate committees on transportation on the outcomes from that study by no later than December 1, 2010.

ODOT indicates that it would establish a steering committee and a technical advisory committee to oversee the study. Approximately \$88,040 General Fund in supplemental staffing would be required for coordination and evaluation. An estimated \$53,300 General Fund would be required for consultant services. The total General Fund impact would be \$141,340.

The fiscal impact is based on an assumption that ODOT would use existing staff for this study. This would require the agency to divert these staff from current planning and climate change analysis to conduct this study. While there is nothing in the bill that would require ODOT to use a methodology for the study that would require the agency to divert its existing resources, the use of outside consultant services for the study may increase the General Fund cost.