## 2009 Regular Legislative Session FISCAL ANALYSIS OF PROPOSED LEGISLATION

Prepared by the Oregon Legislative Fiscal Office

MEASURE NUMBER: SB 513 STATUS: A Engrossed

**SUBJECT:** Relating to ecosystems and ecosystem services markets working group

**GOVERNMENT UNIT AFFECTED:** Department of Administrative Services, Sustainability Board

and Department of Higher Education **PREPARED BY:** Dawn Farr

**REVIEWED BY:** Laurie Byerly and Paul Siebert

**DATE:** April 6, 2009

<u>2009-2011</u>

**EXPENDITURES:** 

General Fund \$ 120,000

**REVENUES:** 

See Comments

**EFFECTIVE DATE:** January 1, 2010

**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 establishes definitions and legislative findings related to ecosystems; directs the Sustainability Board to convene an ecosystem services markets working group; and, appropriates \$120,000 General Fund to the Sustainability Board.

HB 3244 (2007) created within the Oregon Department of Administrative Services a Sustainability Board consisting of the Governor or the Governor's representative and 10 additional members appointed by the Governor. The bill directs the Sustainability Board to convene an ecosystem services markets working group consisting of representatives of local and state agencies and representatives of other parties to study and propose overarching goals related to ecosystem services markets, consider government's role, propose potential policies, and to report recommendations to the Legislative Assembly. The bill appropriates \$120,000 General Fund to the Sustainability Board for work group activities.

The bill allows the Sustainability Board to contract with the Institute for Natural Resources at Oregon State University. The Institute indicates that the estimated costs to support implementation of Section 5 of the bill would be \$60,000 Other Funds, which includes \$49,000 for personal services expenditures and \$11,000 services and supplies. This assumes that \$60,000 of Other Fund revenues would be received from the Sustainability Board to fund this work from the \$120,000 General Funds that are appropriated to the Board by the bill.

The Department of Administrative Services anticipates that they will need to dedicate resources to the management of funds appropriated to the Sustainability Board, and that this work will be minimal and can be absorbed with existing resources.

It is not known at this time which state agencies may be asked to participate in the ecosystem services markets working group; however, it is assumed that this additional work will be minimal and can be assumed within the existing resources of participating agencies.