

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

MEASURE NUMBER: HB 3647 **STATUS:** A-Engrossed
SUBJECT: Soil assessments and fees
GOVERNMENT UNIT AFFECTED: Department of Land Conservation and Development
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REVIEWED BY: Laurie Byerly
DATE: February 9, 2010

	<u>2009-2011</u>	<u>2011-2013</u>
EXPENDITURES: See Analysis.		

REVENUES:
See Analysis.

EFFECTIVE DATE: On passage.

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: The bill establishes that a person can request that Department of Land Conservation and Development (DLCD) arrange for a capability of the land assessment by a professional soil classifier; establishes that a soil assessment is not public record unless person requesting it utilizes it in land use proceeding; directs DLCD to review prepared assessments; requires DLCD to charge and collect fee from person requesting assessment in an amount intended to meet costs of obtaining assessment and administering program; establishes Soil Assessment Fund; and, sets a process operative date of October 1, 2011.

While the bill has an emergency clause, DLCD does not anticipate taking any action to implement the bill until the 2011-13 biennium. Beginning after July 1, 2011, DLCD anticipates incurring upfront personal services costs of approximately \$23,283 to conduct rulemaking and establish an approved vendors list of professional soil classifiers. Ongoing administration of the program will begin October 1, 2011, and include Other Fund personal services expenditures of \$20,945 for a part-time procurement Specialist, and services and supplies of \$9,773 which includes \$5,000 to pay a Planner 4 for technical support. In addition, DLCD anticipates having Other Fund contract services expenditures of approximately \$375,000 to complete an estimated 75 soil assessments during the biennium. The resulting total Other Fund expenditures are \$429,001 for the 2011-13 biennium.

The bill authorizes DLCD to charge a fee sufficient to cover the assessments and administrative costs. The average cost per soil assessment would need to be \$5,720 for DLCD to recover \$429,001 in Other Fund fee revenue.

DLCD would need to prepare a policy option package for 2011-13 to request funding to implement the bill. At that time, the Governor and Legislature will have the opportunity to reevaluate the fiscal impacts associated with this bill.