

FISCAL IMPACT OF PROPOSED LEGISLATION

Measure: HB 3055 - A

Seventy-Sixth Oregon Legislative Assembly – 2011 Regular Session
Legislative Fiscal Office

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Measure Description:

Creates State Agency Innovation Fund; Requires that 10 percent of General Fund reversions be transferred to the Fund; Allows for state agencies that revert General Fund appropriations to apply for up to 10 percent of reverted amounts for process or cost efficiency improvement programs; Enabling provisions sunset and establishing provisions are repealed 1/2/2016

Government Unit(s) Affected:

All General Fund agencies, State Treasurer

Summary of Fiscal Impact:

Please see analysis

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 amount of 2011-13 General Fund reversions are unknown and therefore, the fiscal impact of the measure is indeterminate.

The measure would establish the State Agency Innovation Fund for the purpose of providing a pool of funding from which a state agency that reverts a General Fund appropriation balance may request an appropriation of up to 10 percent of the amount of that reversion. The requested appropriation must be support improving agency processes or making cost efficiency improvements. To provide the pool of funding, the measure requires that 10 percent of the aggregate General Fund appropriation reversions that would otherwise be credited to the General Fund be transferred to the fund. The measure requires that the amount of this transfer be calculated prior to the calculation and transfer of General Fund amounts to the Oregon Rainy Day Fund.

The transfer of General Fund to the fund potentially reduces the amount of General Fund available for legislative appropriations for general governmental purposes. Since the amount of the future reversions and corresponding transfers to the fund are unknown, the fiscal impact is indeterminate.

The provisions of the measure establishing the fund and its revenue source are repealed by the measure as of January 2, 2016, with any amounts remaining in the fund as of that date transferring to the General Fund. This timeframe limits the pool of funding to 10 percent of reversions from the 2011-13 biennium only, with the opportunities for legislative action to make appropriations from the fund being the 2014 and 2015 Legislative Sessions.