

FISCAL IMPACT OF PROPOSED LEGISLATION

Measure: HB 3451 - A

Seventy-Seventh Oregon Legislative Assembly – 2013 Regular Session
Legislative Fiscal Office

*Only Impacts on Original or Engrossed
Versions are Considered Official*

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Reviewed by: Susie Jordan, Linda Gilbert, Paul Siebert
Date: 4/5/2013

Measure Description:

Establishes Oceangoing Research Vessel Program to conduct certain marine research.

Government Unit(s) Affected:

Department of Environmental Quality (DEQ), Department of Geology and Mineral Industries (DOGAMI), Department of Land Conservation and Development, Oregon Department of Fish and Wildlife (ODFW), Oregon University System (OUS)

Summary of Expenditure Impact for Oregon University System (OUS):

Summary of Expenditure Impact		
	2013-15 Biennium	2015-17 Biennium
General Fund	\$330,000	\$630,000
Lottery Funds		
Other Funds		
Federal Funds		
Total Funds	\$330,000	\$630,000
Positions		
FTE		

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 3451-1 establishes the Oceangoing Research Vessel Program at Oregon State University to conduct certain marine research as well as creates the Research Vessel Council and specifies member composition. The bill appropriates \$330,000 million General Fund (GF) to Oregon University System (OUS) for distribution to Oregon State University in the 2013-15 biennium.

Support for the establishment, staffing, supplies and cost of preparing an annual report for the Legislative Assembly by the Research Vessel Council are estimated to cost \$30,000 GF for the 2013-15 biennium and \$30,000 GF for the 2015-17 biennium. Additionally, 10 days of ship use, which includes fuel, supplies, and labor, will cost \$300,000 GF during the 2013-15 biennium. OUS anticipates an additional 20 days of ship operations to complete future research which results in an estimated cost of \$600,000 GF for the 2015-17 biennium.

Legislative Fiscal Office (LFO) notes that with the passage of SB 242 (2011), which changed OUS status to a non-state agency, OUS no longer is eligible for direct appropriation from the General Fund.

PRELIMINARY STAFF MEASURE SUMMARY**CARRIER:**

House Committee on Energy & Environment

REVENUE: No revenue impact**FISCAL: Fiscal impact statement issued****SUBSEQUENT REFERRAL TO: Joint Committee on Ways and Means****Action:****Vote:****Yeas:****Nays:****Exc.:****Prepared By:** Adam Crawford, Administrator**Meeting Dates:** 3/28, 4/4

WHAT THE MEASURE DOES: Establishes Oceangoing Research Vessel Program at Oregon State University (OSU). Lists potential areas of research. Directs Oceangoing Research Vessel Program to solicit research proposals. Creates Research Vessel Council to evaluate research proposals. Provides evaluation guidelines. Directs OSU to provide report regarding Oceangoing Research Vessel Program to Legislative Assembly no later than November 30, 2015. Appropriates funds. Declares emergency, effective on passage.

ISSUES DISCUSSED:

- Potential marine research areas
- Economic impact of coastal research activities
- Age and deployment of current research fleet
- Other coastal states' research commitments

EFFECT OF COMMITTEE AMENDMENT: (-1 amendment) Clarifies language around research area.

BACKGROUND: The National Science Foundation owns a fleet of research vessels stationed in multiple coastal states. The operation of these vessels is usually funded by federal funding, state funding and research grants. These vessels perform a variety of research, normally in conjunction with state universities, in the immediately surrounding coastal waters.

At this time, Oregon is the only state with a federally-funded research vessel, the RV Oceanus, which does not designate any state funding for research vessel operations. House Bill 3451 would appropriate funding for operation of federally-funded research vessel and create a program at Oregon State University to utilize the vessel.

Instead, all future appropriations for use by OUS must be made to a state agency, such as Department of Administrative Services, for transfer to OUS.

Minimal fiscal impact, associated with the passage of this bill, is reported by the following affected agencies: Department of Environmental Quality (DEQ), Department of Geology and Mineral Industries (DOGAMI), Department of Land Conservation and Development, Oregon Department of Fish and Wildlife (ODFW). While this individual measure has a minimal impact to the previously stated agencies, an agency may incur a net fiscal impact greater than minimal depending on the cumulative impact of all measures enacted into law that affect the agency.