

FISCAL IMPACT OF PROPOSED LEGISLATION

Measure: HB 2206 - 3

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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Measure Description:

Allows Secretary of State to assume election-related duties, functions or powers of county clerk of county for which Governor has declared public safety services emergency due to fiscal distress.

Government Unit(s) Affected:

Counties, Department of Administrative Services (DAS), Department of Consumer and Business Services (DCBS), Department of Revenue(DOR), Department of Veterans' Affairs, Office of the Governor, Secretary of State

Summary of Expenditure 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 measure provides for the continuance of certain county functions by state agencies in the event that there is a fiscal emergency that jeopardizes the county's ability to provide the service. The bill addresses these functions in individual sections. The overall fiscal impact of the measure is indeterminate because it is unknown which counties may experience a fiscal emergency, the number of services that may have to be provided by the state, and the length of time those services would be provided.

Secretary of State

In the event that a county requests and the Governor declares a county elections emergency, the bill requires the Secretary of State (SOS) to provide election services in that county to ensure a minimally adequate level of election services. The bill allows for the reimbursement of costs related to providing these services by requesting funding from the General Fund through the Emergency Board. These costs would therefore be in addition to other budgeted expenditures of the SOS. The following are costs of prior elections

- May 17th 2011 local elections
 - Total Election Cost range \$2,821 (Sherman County) to \$425,417 (Multnomah County)
 - Average Cost per Ballot \$3.32
- November 6th 2012 general election
 - Total Election Cost range \$4,036 (Sherman County) to \$919,526 (Multnomah County)
 - Average Cost per Ballot \$2.28

Veterans' Affairs

The measure amends current statute to require the Director of the Department of Veterans' Affairs (ODVA) to include the funding of the purchase and coordination of a statewide computer system or technology to facilitate the efficient processing of claims and appeals when creating the distribution formula used to distribute funds to county bodies for the enhancement and expansion of services provided by county veterans' service officers and requires that of the up to six percent retained funds due to counties not appointing a veterans' services officer, those funds must be used by ODVA for

providing services in those counties. ODVA believes that these provisions simply provide additional fiscal flexibility and create no additional fiscal impact.

Department of Revenue

In the event that a county requests and the Governor declares a property tax assessment services emergency or a property tax collection emergency, the Department of Revenue (DOR) is required to provide services in the county as necessary to ensure a minimally adequate level of Property tax assessment and tax collection services. In addition the DOR is required to discontinue grants to the county from the County Assessment Function Funding Assistance Account and the State Treasurer is to discontinue all state-shared funds distributions to the county. The bill allows for the recovery of costs due to providing services by a direct transfer of the funds that would have otherwise been distributed to the county from the CAFFA account , if that funding is not sufficient to cover the costs, then upon the order of the SOS, the State Treasurer is to state-share funds that would have otherwise been transferred to the county. If that funding is not sufficient to cover the remaining costs, the DOR is to request additional (General Fund) support and spending authority from the Emergency Board. The exact cost of providing services to each county was not provided by the agency, but as an example the DOR noted that the approximate expenditures for the tax assessment and collection functions of Curry County in the 2011-12 fiscal year was \$860,357 and the cost to DOR to perform these functions would be between \$860,000 and \$1,000,000.

Department of Consumer and Business Services

The measure allows for the Director of the Department of Consumer and Business Services (DCBS) to determine if a municipality is not carrying out a building inspection program according to the plan filed by the municipality and allows the Director to enter in to a plan with the municipality to combine resources between DCBS and the municipality to efficiently and uniformly administer and enforce the building inspection program. The measure sets aside several sections of statute allowing DCBS to set and collect fees, employ additional personnel, and expend funds to carry out these agreements. The costs of these provisions are unclear and may provide the agency with extra-budgetary authority to collect and expend funds.