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# MEMORANDUM

Legislative Fiscal Office  
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**To:** Transportation and Economic Subcommittee

**From:** Matt Stayner, Legislative Fiscal Office, 503-986-1840

**Date:** June 21, 2013

**Subject:** HB 2620 A Relating to Reorganization of State Agencies  
Work Session Recommendation

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The measure requires the Governor and the Department of Administrative Services (DAS) to develop a plan to align state economic and community development programs with regional and community based development programs. The plan and the planning process are exempted from certain statutory rulemaking requirements. The measure requires the plan to be submitted to the Legislature for consideration during the 2014 regular session. The bill also requires the Governor to ensure that representatives of natural resource agencies participate in regional solution teams and are available at regional solutions centers.

A public hearing on the measure was held by the Transportation and Economic Subcommittee on 6/18/2013.

The staff measure summary, a dash A2 amendment, and the fiscal impact statements are attached to this memo, and available on the Oregon Legislative Information System (OLIS).

## **The amendment**

The -A2 amendment provides a \$200,000 General Fund appropriation to the Department of Administrative Services for the purpose of the bill

## **Recommendation**

LFO recommends moving the - A2 amendment into the bill.

## **Motion**

**Motion: Senator/Representative \_\_\_\_\_: I move the dash A2 amendment into HB 2620 A.**

**Recommendation**

The measure is recommended to be moved to the Full Committee on Joint Ways and Means.

**Motion**

**Motion: Senator/Representative \_\_\_\_\_: I move HB 2620 A with the dash A2 amendment to the Full Committee with a "do pass" recommendation as amended.**

**Assignment of Carriers**

Full: \_\_\_\_\_

Senate: \_\_\_\_\_

House: \_\_\_\_\_

Joint Committee on Ways and Means

Carrier – House: Rep.  
Carrier – Senate: Sen.

Revenue:

Fiscal: Y

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Action:

Vote:

House

Yeas:

Nays:

Exc:

Senate

Yeas:

Nays:

Exc:

Prepared By: Matt Stayner, Legislative Fiscal Office

Meeting Date: June 24, 2013

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**WHAT THE MEASURE DOES:**

Makes legislative findings regarding regional and community based problem solving; requires the Governor and the Department of Administrative Services (DAS) to develop a plan to align state economic and community development programs with regional and community based development programs. The plan and the planning process are exempted from certain statutory rulemaking requirements. The measure requires the plan to be submitted to the Legislature for consideration during the 2014 regular session. The bill also requires the Governor to ensure that representatives of natural resource agencies participate in regional solution teams and are available at regional solutions centers.

**ISSUES DISCUSSED:**

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**EFFECT OF COMMITTEE AMENDMENT:**

Provides a \$200,000 General Fund appropriation to the Department of Administrative Services

**BACKGROUND:**

local and regional economic development organizations, such as Southern Oregon Regional Economic Development, Inc. (SORED), and Strategic Economic Development Corporation (SEDCOR), are required to navigate various state agencies in taking action on their development priorities.

House Bill 2620 A establishes a state commitment to regional and community based problem solving and directs the Governor to develop a plan to align state economic and community development programs with regional and community based development programs.

**FISCAL IMPACT OF PROPOSED LEGISLATION**

**Measure: HB 2620 - A2**

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

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

Prepared by: Matt Stayner  
Reviewed by: Paul Siebert, Daron Hill  
Date: 6/21/13

**Measure Description:**

Directs Governor to develop plan to align state economic and community development programs with regional and community based development programs; requires Governor to ensure that representatives of natural resource agencies participate in regional solution teams and are available at regional solutions centers.

**Government Unit(s) Affected:**

Department of Administrative Services (DAS), Office of the Governor

**Summary of Expenditure Impact:**

**Summary of Expenditure Impact**

	2013-15 Biennium	2015-17 Biennium
General Fund	329,179	
<b>Total Funds</b>	<b>\$329,179</b>	<b>\$0</b>
Positions	2	
FTE	0.66	

**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 requires the Governor and the Department of Administrative Services (DAS) to develop a plan to align state economic and community development programs with regional and community based development programs. The plan and the planning process are exempted from certain statutory rulemaking requirements. The measure requires the plan to be submitted to the Legislature for consideration during the 2014 regular session. The bill also requires the Governor to ensure that representatives of natural resource agencies participate in regional solution teams and are available at regional solutions centers.

The Department of Administrative Services believes that the management of the project, coordination with state agencies, program analysis, and drafting of the report will require the addition of two limited duration positions comprising 0.66 FTE at an estimated cost of \$140,915. In addition DAS would require contracted professional services to provide advice and facilitate public involvement at an estimated cost of \$ 175,000. All of the costs reported by DAS are assumed by LFO to be paid with General Fund, as this one-time agency specific work is likely not appropriate to be paid for with increased statewide agency assessment increases for the office of the Chief Operating Officer.

HB 2620-A2  
(LC 2814)  
6/21/13 (DH/ps)

**PROPOSED AMENDMENTS TO  
A-ENGROSSED HOUSE BILL 2620**

1 On page 1 of the printed A-engrossed bill, line 2, after “agencies” insert  
2 “; and appropriating money”.

3 On page 2, after line 10, insert:

4 **“SECTION 3. In addition to and not in lieu of any other appropri-**  
5 **ation, there is appropriated to the Oregon Department of Administra-**  
6 **tive Services, for the biennium beginning July 1, 2013, out of the**  
7 **General Fund, the amount of \$200,000 for the purpose of paying the**  
8 **costs of implementing section 1 of this 2013 Act.”.**

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