

FISCAL IMPACT OF PROPOSED LEGISLATION**Measure: HB 2259**Seventy-Seventh Oregon Legislative Assembly – 2013 Regular Session
Legislative Fiscal Office***Only Impacts on Original or Engrossed
Versions are Considered Official***Prepared by: Krista McDowell
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Date: 2/11/2013**Measure Description:**

Increases certain fees charged by Water Resources Department.

Government Unit(s) Affected:

Water Resources Department

Summary of Expenditure Impact:

| Summary of Expenditure Impact | | |
|--------------------------------------|-------------------------|-------------------------|
| | 2013-15 Biennium | 2015-17 Biennium |
| General Fund | | |
| Lottery Funds | | |
| Other Funds | 996,211 | 996,211 |
| Federal Funds | | |
| Total Funds | \$996,211 | \$996,211 |
| Positions | 7 | 7 |
| FTE | 7.00 | 7.00 |

Summary of Revenue Impact

| | 2013-15 Biennium | 2015-17 Biennium |
|--------------------|-------------------------|-------------------------|
| General Fund | | |
| Lottery Funds | | |
| Other Funds | 1,000,000 | 1,000,000 |
| Federal Funds | | |
| Total Funds | \$1,000,000 | \$1,000,000 |

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:

Fees adopted by the Legislature in 2009 to replace \$2.6 million General Fund in the Water Resources Department (WRD) sunset July 1 2013. HB 2259 extends and makes permanent the water right transactions fee schedule, standardizes the fee schedule, and removes the sunset. The proposed fee schedule increases existing fees by a 13% inflationary factor set by the Department of Administrative Services to cover current services and maintain a cost recovery level of around 50% that was established by the 2009 Legislature. If the measure is not approved' fees will revert back to 2003 levels. A roll-back to 2003 levels would decrease authorized funding levels and would decrease staff by 7 FTE,

resulting in reducing service to customers evaluating ground water supplies, conducting ground water studies, carrying out ground water monitoring, and administration and enforcement of exempt ground water under the law. Approval of this bill is anticipated in the Governor's Budget for WRD.

WRD estimates Other Funds revenues from fees of \$1,000,000 per biennium. Revenues raised by this fee support existing positions for evaluating ground water supplies, conducting ground water studies, carrying out ground water monitoring, data entry and administration. Total Other Funds expenditures associated with these seven positions, 7 FTE, are estimated at \$996,211 for the 2013-15 biennium. Total Other Funds expenditures for 2015-17 are estimated at \$996,211 and 7 FTE.