

FISCAL IMPACT OF PROPOSED LEGISLATION**Measure: HB 2050 - A**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: 3/1/2013**Measure Description:**

Changes permissible uses of moneys in Oregon Forest Land Protection Fund.

Government Unit(s) Affected:

Department of Forestry

Summary of Expenditure Impact on Department of Forestry:

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	2013-15 Biennium	2015-17 Biennium
General Fund	\$3,600,000	\$9,600,000
Lottery Funds		
Other Funds	2,000,000	-4,000,000
Federal Funds		
Total Funds	\$5,600,000	\$5,600,000
Positions	10	10
FTE	3.33	3.33

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 Governor's Recommended Budget included the expense of HB 2050 in Policy Option Package (POP) #410. For both the 2013-15 and 2015-17 biennia \$1.6 million in additional General Fund (GF) appropriation is required for initial attack and large fire costs. Additionally, for both the 2013-15 and 2015-17 biennia, \$2.0 million General Fund (GF) will be appropriated to offset Eastern Oregon fire protection assessments. In 2015-17, the additional required GF rises by \$6.0 million for large fire costs.

In the 2013-15 and the 2015-17 biennia, land owners will be assessed \$6.0 million additional OF for initial attack (severity) resources. This is offset by a reduction of \$2.0 million for Eastern Oregon fire assessments, paid by General Fund. In 2013-15 there is a \$2.0 million OF reduction for large fire costs, which is covered by General Fund. These changes net an additional \$2.0 million in OF for 2013-15 biennium. This funding will support ten seasonal positions (3.3 FTE) used to staff and manage additional contract firefighting helicopters.

For the 2015-17 biennium, the reduction is \$8 million OF for large fire costs, again covered by General Fund, and netting a \$4.0 million reduction for the biennium.

The bill would amend the authority of OFLPF to allow for one-time strategic purchases; ODF does not anticipate requesting additional limitation for this and plans to utilize any existing limitation from unspent monies already included in the budget. The fire insurance premiums, shared between the GF and OFLPF, are anticipated to increase slightly. In the first biennium these premium increases are anticipated to be absorbed within existing funding. Additional funding for future biennia has not been included in this analysis.