

FISCAL IMPACT OF PROPOSED LEGISLATION

Measure: SB 816 - 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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Measure Description:

Establishes Agricultural Experiment Station Fermentation Sciences and Value Added Program at Oregon State University.

Government Unit(s) Affected:

Oregon University System (OUS), Department of Administrative Services (DAS)

Summary of Expenditure Impact:

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	2013-15 Biennium	2015-17 Biennium
General Fund	2,500,000	2,500,000
Lottery Funds		
Other Funds		
Federal Funds		
Total Funds	\$2,500,000	\$2,500,000
Positions	13	13
FTE	11.50	11.50

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:

SB 816-2 establishes the Agricultural Experiment Station (AES) Fermentation Sciences and Value Added Program at Oregon State University (OSU). The bill appropriates \$2.5 million General Fund to Department of Administrative Services (DAS) in the 2013-15 biennium, for allocation to Oregon State University for operation of the program.

Legislative Fiscal Office (LFO) notes that with the passage of SB 242 (2011), which changed OUS status to a non-state agency, OUS is no longer eligible for direct appropriation from the General Fund. Instead, all future appropriations for use by OUS must be made to a state agency, in this case the Department of Administrative Services (DAS), for transfer to OUS. This bill will appropriate \$2.5 million General Funds to DAS in the 2013-15 biennium for allocation to Oregon University System.

The creation of this new AES program OSU will require two positions (2.0 FTE) with expertise in distillation science and value-added marketing. Eleven new positions (9.5 FTE) will be added to provide technical research support for field research, analytic support, fermentation process and pilot plant support. Additional expenses will include supplies and materials needed to support the field research, laboratory research and analysis, and pilot plant operations. Expenditures are estimated at \$2.5 million in 2013-15 biennium.