

**FISCAL IMPACT OF PROPOSED LEGISLATION**

**Measure: HB 2259 - B**

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:**

Eliminates sunset on current amounts of certain fees charged by Water Resources Department.

**Government Unit(s) Affected:**

Water Resources Department

**Summary of Expenditure Impact:**

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:** Fees adopted by the Legislature in 2009 to replace \$2.1 million General Fund in the Water Resources Department (WRD) sunset July 1, 2013. The bill removes the sunset on the Department's fee schedule and also changes the method of determining the amount that fees can be increased by the Water Resources Commission from 2009 forward. For 2009 through 2015, the amount is 3.25% multiplied by the number of years since the effective date of the previous fee increase. For 2015 forward the fees may be increased by the greater of the Portland-Salem Consumer Price Index (CPI) or 2% multiplied by the number of years since the effective date of the previous fee increase. Approval of a 13% increase is anticipated in the Governor's Budget for WRD in policy option package #208.

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 8 positions (7.66 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.

Other Funds (OF) revenues from this measure are estimated at \$1,194,620 OF in the 2013-15 biennium and \$1,235,862 OF in the 2015-17 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 positions are estimated to closely mirror OF revenues in the 2013-15 and 2015-17 biennia.