

**FISCAL IMPACT OF PROPOSED LEGISLATION**

**Measure: HB 2323 - 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 Oregon Growth Board Task Force.

**Government Unit(s) Affected:**

Business Development Department (Business Oregon), Oregon State Treasurer

**Summary of Expenditure Impact:**

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	<b>2013-15 Biennium</b>	<b>2015-17 Biennium</b>
General Fund		
Lottery Funds	169,933	169,933
Other Funds		
Federal Funds		
<b>Total Funds</b>	<b>\$169,933</b>	<b>\$169,933</b>
Positions	2	2
FTE	1.00	1.00

**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 bill eliminates the Oregon Growth Account Board and transfers duties and functions to the Oregon Growth Board (Board). The Board is charged with evaluating the performance of investments in both the Oregon Growth Account and the Oregon Growth Fund. The Board is directed to use moneys in the Oregon Growth Fund to make, purchase, guarantee or hold grants and loans to further economic development in Oregon. The Oregon Growth Account is used to make, purchase, guarantee, or hold loans for the purpose of earning returns to the Education Stability Fund. The bill allows the board to use moneys in the Oregon Growth Account to pay for administrative costs.

The State Treasurer will continue to service funds in the Oregon Growth Account, as controlled by the Board; minimal fiscal impact is anticipated to the State Treasurer as a result of this legislation and its relation to the Oregon Growth Account. Legislative Fiscal Office acknowledges that the State Treasurer may be able to absorb the accounting workload and money management contract labor associated with the Oregon Growth Fund; however at this time the exact nature and mix of investments are unspecified and therefore the fiscal impact is estimated for the Business Development Department to service these roles.

Business Development Department will require a half-time (.5 FTE) permanent position, Operations and Policy Analyst 4, to support the Board and perform on-going financial management of Oregon Growth Fund. This position is estimated at \$93,202 per biennium. Additionally, a half-time (.5FTE) permanent position, Accountant 3, is requested to provide support to record investments, reconcile accounts, provide financial data for the Board, and prepare various required financial statements and disclosures. This position is estimated at \$76,731 per biennium. These two positions are assumed to be funded from the Oregon Growth Account.

Contract services for a money management firm are anticipated for the purposes of investment activity with the Oregon Growth Fund. Costs for this money management firm are indeterminate at this time however they are assumed to be funded from the investment returns gained on the Oregon Growth Fund. This will reduce the total funds available for opportunity grants, loans and further economic development.