

**FISCAL IMPACT OF PROPOSED LEGISLATION**

**Measure: SB 730**

Seventy-Eighth Oregon Legislative Assembly – 2015 Regular Session  
Legislative Fiscal Office

*Only Impacts on Original or Engrossed  
Versions are Considered Official*

Prepared by: Tim Walker  
Reviewed by: Julie Neburka  
Date: 05/14/2015

**Measure Description:**

Establishes Biomass Heat for Rural Schools Fund.

**Government Unit(s) Affected:**

Department of Energy

**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:** This bill will establish the Biomass Heat for Rural Schools fund within the Department of Energy. The bill would establish a two-phased grant and loan program targeted to replace fossil fuel based heating systems with biomass systems in rural K-12 schools. In addition, the bill requires the department to conduct feasibility studies on potential projects, provide outreach and marketing to schools, and administer the grant and loan program.

The Department anticipates the need for a Program Analyst 3, 1 position (0.50 FTE, in 2015-17 to conduct rulemaking and administration of the program. If the program is funded at a level greater than \$5.0 million, the Department anticipates the need for a Program Analyst 2 for program coordination and program data management and reporting. No specific funding source is identified for the grants and/or loans that would be made from the program, nor is funding identified for program administration. The Department assumes that the Energy Supplier Assessment would fund administration of this program.

The Department estimates the cost of the program, depending upon funding levels, would range from \$123,000 OF to \$235,000 OF in 2015-17 and \$268,000 OF to \$516,000 OF in 2017-19.