

**FISCAL IMPACT OF PROPOSED LEGISLATION****Measure: HB 2633 A**Seventy-Eighth Oregon Legislative Assembly – 2015 Regular Session  
Legislative Fiscal Office***Only Impacts on Original or Engrossed  
Versions are Considered Official***

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**Measure Description:**

Requires Land Conservation and Development Commission to adopt administrative rules to implement statewide land use planning goal related to natural hazards.

**Government Unit(s) Affected:**

Department of Land Conservation and Development, Department of Geology and Mineral Industries, Oregon Military 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:** This bill would require the Department of Land Conservation and Development (DLCD) to adopt administrative rule in conjunction with existing statewide land use planning goals providing guidance to local governments addressing potential risks associated with development in areas susceptible to coastal erosion, landslides and tsunamis. The bill also requires DLCD, in coordination with the Office of Emergency Management to establish a program to provide guidance to local governments regarding the identification of, and planning practices for, mitigating impacts of development in natural hazard areas and appropriates \$50,000 General Fund for that purpose. The measure specifically exempts local governments and special districts from being required to follow the planning practices developed by the program. It is not clear if this program is intended to be continuing or more limited in duration.

The measure requires DLCD to consult with a number of other agencies including local governments, the Federal Emergency Management Agency, the Office of Emergency Management, and the State Department of Geology and Mineral Industries for both of the activities required under the bill.

DLCD will incur additional workload associated with the rulemaking provisions of this bill, however current resources will be used to accomplish this activity. DLCD may have to reprioritize workloads to conduct this work. If the rules adopted as required in the measure directly restrict existing land use, local governments must provide notice to affected land owners; the cost of which is reimbursed by DLCD. The bill requires that the rules adopted by DLCD provide local governments the option of pursuing a course of planning action rather than completing specific planning tasks. In either case, it is not clear what, if any, the cost of landowner notifications would be.

Due to the open ended nature of the program established by this bill and the unknown extent of effort that may be required of DOGAMI, their fiscal impact is indeterminate. DOGAMI anticipates that if the consulting work requested by DLCD cannot be absorbed within existing resources, DOGAMI would enter into a contract with DLCD to provide services, similar to existing contracts with the Department of State Lands and Department of Energy. The Oregon Military Department anticipates a minimal fiscal. The agencies affected by this bill may need to return to the Legislative Assembly if the resources required by this bill are greater than anticipated.