

FISCAL IMPACT OF PROPOSED LEGISLATION**Measure: SB 989 - 1**79th Oregon Legislative Assembly – 2017 Regular Session
Legislative Fiscal Office***Only Impacts on Original or Engrossed
Versions are Considered Official***

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Measure Description:

Directs Travel Information Council to manage roadside rest areas along interstate and state highways.

Government Unit(s) Affected:

Oregon Department of Transportation (ODOT), Oregon Parks and Recreation Department (OPRD), Oregon Travel Information Council [Semi-Privatized]

Summary of Expenditure Impact: See Analysis

Summary of Revenue Impact: See Analysis

Analysis:

SB 989-1 directs the Oregon Travel Information Council (OTIC) to manage, maintain, improve, and develop eight additional roadside rest areas, five of which are owned by the Oregon Department of Transportation (ODOT), and three of which are owned by the Oregon Parks and Recreation Department (OPRD). Additionally, the bill directs ODOT and OPRD to enter into intergovernmental agreements with OTIC regarding the management, improvement, and development of the roadside rest areas; and directs ODOT to allocate an unspecified amount from the State Highway Fund, to OTIC for these purposes. The bill mandates that OTIC, ODOT, and OPRD develop a plan for the transition of the roadside rest areas, report on that plan to the Legislative Assembly no later than September 15, 2018, and complete the transition of the properties no later than January 1, 2024.

Of the eight additional properties included in the bill, three are OPRD day use areas, which ODOT compensates for in an amount totaling \$364,960 per biennium, in transfers to OPRD. The remaining five properties are owned and managed by ODOT, and are currently estimated to cost the Department \$842,812 per biennium. The total estimated cost of the management and operations of these eight properties is estimated to be \$1,207,772 per biennium.

Although the bill transfers the responsibility for management, maintenance, improvement, and development of three OPRD day use areas currently used as roadside rest areas; OPRD anticipates continuing to maintain some level of maintenance and operational responsibilities at these properties because visitors will be able to use these properties for recreational purposes beyond what is provided at a typical rest area. Currently, OPRD is compensated by ODOT for day use areas that are used as roadside rest areas. OPRD anticipates that this funding decrease will be accounted for through funding shifts and staff adjustments.

OTIC has indicated that \$2,650,000 per biennium in additional funding is needed for the management and maintenance of these properties. The difference between OTIC's cost estimate, and the funds currently provided by ODOT for these properties is \$1,442,228. This difference is attributable to the increased staffing presence provided by OTIC, which is eight hours per day, seven days per week.

The Legislative Fiscal Office notes that transfer of the properties does not become effective until January 2, 2019, making the total fiscal impact to OTIC \$1,987,500 in the 2017-19 biennium, and \$2,650,000 in the 2019-21 biennium.

The Oregon Travel Information Council is a semi-independent state agency. The agency's budget is not subject to Executive Branch review, or approval or modification by the Legislative Assembly.