

FISCAL IMPACT OF PROPOSED LEGISLATION

Measure: HB 3166 - A8

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:

Modifies cost recovery formula for site certificate holders. Transfers the small scale local energy projects program to Oregon Business Development Department.

Government Unit(s) Affected:

Department of Energy, Business Development Department (Business Oregon), Legislative Policy and Research Office (LPRO)

Summary of Expenditure Impact: See Analysis

Summary of Revenue Impact: See Analysis

Analysis:

The measure transfers the duties, functions, and powers of the Oregon Department of Energy related to the issuance of loans for small scale local energy projects (SELP Program), to the Oregon Business Development Department (OBDD). The bill transfers all records, property, and positions related to the SELP Program, and transfers any unexpended revenue to OBDD. The transfer is effective July 1, 2018.

The measure also requires OBDD to study the commercial need for loans for small scale local energy projects, and to identify the highest and best uses of the funds available for the issuance of loans for small scale local energy projects. OBDD is required to report the findings of its study to the Legislative Assembly no later than September 15, 2018.

Additionally, the bill abolishes several obsolete funds and transfers the de minimis remaining balances, including the Energy Project Supplemental Fund, Energy Revenue Bond Repayment Fund, Energy Project Bond Loan Fund, and the Jobs, Energy and Schools Fund.

The measure modifies the cost recovery formula of the Energy Facility Citing Council, for cite certificate holders to include the general costs of the council and department incurred in the support of the council's activities, that cannot be attributed to an individual licensed facility.

The Oregon Department of Energy (ODOE) budget includes \$1,041,318 Other Funds expenditure limitation and five full-time positions (5.00 FTE) for administration of the SELP program. The SELP budget has \$55,905,959 Nonlimited Other Funds for loan payments, and \$63,376,902 Other Funds Nonlimited and \$104,000 Federal Funds Nonlimited expenditure limitations for debt service of outstanding bonds. Due to the transfer date of July 1, 2018, the actual transfer amounts will be determined by the 2018 Legislature, with the full costs of the program assumed in the OBDD budget for the 2019-21 biennium.