

FISCAL IMPACT OF PROPOSED LEGISLATION

Measure: HB 3319

79th Oregon Legislative Assembly – 2017 Regular Session
Legislative Fiscal Office

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

Prepared by: Meg Bushman-Reinhold
Reviewed by: Amanda Beitel, Paul Siebert, Ken Rocco
Date: 4/6/2017

Measure Description:

Establishes minimum amount that Legislative Assembly must appropriate to Department of Veterans' Affairs in each biennium, apart from appropriations from veterans' services fund established under Ballot Measure 96 (2016).

Government Unit(s) Affected:

Department of Veterans' Affairs

Summary of Expenditure Impact:

See Analysis

Analysis:

This bill establishes a minimum biennial appropriation to the Department of Veterans' Affairs. The bill requires that the minimum biennial appropriation cannot be less than the total appropriation from the 2015-17 biennium, adjusted for inflation. Lottery funds dedicated to the Department pursuant to Measure 96 would be authorized in addition to the minimum total appropriation for the Department. The Legislature may appropriate a lesser amount by a vote of three-fifths of the members of each chamber.

The bill defines "appropriation" to include Other Funds (Limited and Non-limited) and Federal Funds expenditure limitations and General Fund appropriations. As mentioned in the Staff Measure Summary, each of these funding categories supports different programs within the Department. The bill does not specify that the minimum amount appropriated must include the same composition of funding as the prior biennium. It is possible that the Other Funds and Federal Funds expenditure limitations could be authorized at a level that met the total minimum appropriation requirement. If that occurred, General Fund moneys would not be required to meet the minimum and there could be cuts to programs supported by the General Fund. In addition, if there was a reduction in Federal or Other Funds revenues, General Fund dollars would be required to meet the minimum biennial appropriation for programs that are traditionally not supported by the General Fund.

There is no fiscal impact to the Department of Veteran's Affairs to implement the provisions of this bill; however, the bill impacts how the state calculates the budget for the Department in a manner that is different than other state agencies.