

FISCAL IMPACT OF PROPOSED LEGISLATION

Measure: HB 4039 - A

79th Oregon Legislative Assembly – 2018 Regular Session
Legislative Fiscal Office

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

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Measure Description:

Requires state agency that grants or lends moneys for capital costs of research center to obtain right to receive portion of revenue derived from patents obtained from work by research center.

Government Unit(s) Affected:

Business Development Department (Business Oregon), Department of Administrative Services (DAS), Department of Education (ODE), Department of Justice (DOJ), Oregon Military Department (OMD), Bonding, Higher Education Coordinating Commission (HECC), Oregon Health Sciences University (OHSU)

Summary of Expenditure Impact:

Costs related to the measure are indeterminate at this time - See explanatory analysis.

Summary of Revenue Impact:

Revenues related to the measure are indeterminate at this time - See explanatory analysis.

Analysis:

At this time, the ramifications of this measure cannot be fully predicted and therefore the fiscal impact cannot be determined. The bill establishes the Patent Revenue Account for the purposes of collecting some, or all, of the revenues received from patents acquired by a private entity which receives capital construction costs, from a state agency, for a research center. The Department of Administrative Services is directed to distribute moneys in the account to the following funds which are also established by the bill: 10% to the Critical Priority Resilience Grant Fund, 25% to the Critical Priority Innovation Grant Fund, 25% to the Critical Technology Capitalization Fund, 25% to the Regional Solutions Program in the geographic region that the patent originated, and 15% to the General Fund. The legislation applies to loans or grants that are authorized on or after the effective date of the Act.

It is currently unknow if there will be any future private entities that will seek state agency lending or grant money for capital construction costs of a research center; nor is the potential revenue impact projectable due to the known potential outcome of contract negotiations between a state agency and a private entity. Therefore, without potential revenue projections, the size, scale, and fiscal implications of the programs which will receive funding distributions from the Account cannot be determined at this time.