## FISCAL IMPACT OF PROPOSED LEGISLATION

80th Oregon Legislative Assembly – 2019 Regular Session Legislative Fiscal Office

> Only Impacts on Original or Engrossed Versions are Considered Official

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### Measure Description:

Creates Oregon Rural Service Center within Oregon Business Development Department to assist rural counties, and cities and special districts located in rural areas, to apply for and manage public and private funding opportunities for purposes of workforce and economic development.

### Government Unit(s) Affected:

School Districts, Legislative Assembly, Cities, Counties, Oregon Business Development Department (OBDD), Special Districts

### Analysis:

This fiscal impact statement is for the purpose of transmitting the measure from the House Committee on Economic Development to the Joint Committee on Ways and Means.

The legislation establishes the Oregon Rural Capacity Fund within the Oregon Business Development Department (OBDD) and provides that moneys in the Fund be distributed to Oregon's Economic Development Districts to learn about, apply for, and administer grants or other forms of funding available from any public or private source. A General Fund appropriation of \$918,750 is made to the Fund in the 2019-21 biennium. OBDD may retain up to five percent of moneys appropriated or transferred to the Fund to pay for administrative expenses. OBDD must determine the amount of available moneys in the Fund to distribute; consideration for the distribution of funds is based on need and geographic balance. OBDD, and in some cases an appointed regional solutions advisory committee, are responsible for oversight of the grant services supported by the Fund and the agency must periodically consult with the League of Oregon Cities, the Association of Oregon Counties, the Oregon School Boards Association, and the Special Districts Association of Oregon regarding the grant services provided. Oregon's Economic Development Districts may hire an employee or independent contractor to submit quarterly reports to OBDD which will be complied and submitted annually to the Legislative Assembly no later than September 15 each year.

A more complete fiscal analysis on the measure will be prepared as the measure is considered in the Joint Committee on Ways and Means.

# Further Analysis Required