

FISCAL IMPACT OF PROPOSED LEGISLATION

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

Measure: HB 2333 - A

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

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Measure Description:

Defines "park model recreational vehicle."

Government Unit(s) Affected:

Oregon Department of Transportation (ODOT), Cities, Counties, Department of Consumer and Business Services (DCBS)

Summary of Fiscal Impact:

Costs related to the measure may require budgetary action - See analysis.

Analysis:

The measure would define recreational vehicle and park model recreational vehicle (PMRV) in the Oregon Vehicle Code. It would create a vehicle category for a PMRV and provide for optional titling of a PMRV, but prohibit PMRV registration. The measure would authorize the Oregon Department of Transportation (ODOT) to adopt administrative rules for the administration of the optional titling of a PMRV, to establish requirements ODOT deems necessary, and to further define recreational vehicle. It would provide a process for an owner of a recreational vehicle to convert it to a structure. The measure would also permit the Driver and Motor Vehicle Services Division (DMV) to cancel the title and registration of any recreational vehicle converted to a structure. It would require any seller of a new recreational vehicle to provide a buyer with written information regarding the recreational vehicle's warranty. The measure would remove a recreational vehicle meeting the definition of PMRV from the jurisdiction of the Department of Consumer and Business Services (DCBS) to regulate. The measure would also make other changes conforming other miscellaneous statutes to the changes it makes the Oregon Vehicle Code. The measure would take effect on January 1, 2020.

Department of Consumer and Business Services (DCBS):

The measure would remove recreational vehicles from the jurisdiction of the DCBS Building Codes Division and place it within ODOT. DCBS anticipates that removing its regulation of recreational vehicles would decrease the Building Code Division's projected revenue by an estimated \$571,032 Other Funds in the 2019-21 biennium and an estimated \$772,829 Other Funds in the 2021-23. The corresponding decrease in expenditures would be \$62,577 Other Funds in the 2019-21 (0.45 FTE) biennium and an estimated \$74,361 Other Funds in the 2021-23 biennium (0.45 FTE), spread out across administrative support, policy, and management positions assigned to this function.

However, because the Recreational Vehicle Inspection program operates under the same program and shares the same account code as the Manufactured Housing Inspection program, the reduced revenue would impact the Manufactured Housing Inspection program. For that reason, DCBS would need to make a program adjustment in either the 2019-21 or 2021-23 biennium, including potential a fee increase for in-plant manufactured home inspection services, reduction of expenses to align with available resources, or discontinuing state service under the program, which is operated under a federal contract the United States Department of Housing and Urban

Development (HUD). Given that the scope and impact of these program adjustments are unknown, the fiscal impact of the measure is indeterminate to DCBS.

Oregon Department of Transportation (ODOT):

ODOT anticipates that it would need to develop a new process for titling PMRVs. Specifically, DMV would need to program a new vehicle type in its computer system, Oregon License Issuance Vehicle Registration. ODOT estimates DMV would need to develop a process to perform vehicle identification number inspections of PMRVs and cancel the title and registration of a recreational vehicle that have been converted to use as a structure. To implement these changes, ODOT estimates one-time startup costs of \$35,000 Other Funds in personal services and \$23,040 Other Funds in services and supplies in the 2019-21 biennium.

However, because the number of PMRV title applications that DMV would receive and process is unknown, the increased workload volume and the need for additional staffing are unclear. For that reason, the fiscal impact of the measure is indeterminate to ODOT.

Cities and Counties:

The measure would not have a fiscal impact on Cities and Counties because they do not oversee or inspect recreational vehicles.

The measure warrants a subsequent referral to the Joint Committee on Ways and Means for consideration of its budgetary impact on DCBS and ODOT.