

FISCAL IMPACT OF PROPOSED LEGISLATION

Measure: HB 2329 - B

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:

Modifies definition of "energy facility" for purposes of regulation of energy facilities by Energy Facility Siting Council.

Government Unit(s) Affected:

Oregon Parks and Recreation Department (OPRD), Counties, Department of Fish and Wildlife (ODFW), Department of Land Conservation and Development (DLCD), Land Use Board of Appeals (LUBA), Department of Aviation, Department of Energy (DOE)

Summary of Fiscal Impact:

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

Analysis:

The legislation would allow certain renewable energy projects to be cited under local land use jurisdictions rather than by the Department of Energy’s (ODOE) Energy Facility Siting Council (EFSC), although ODOE siting is still permitted. ODOE, the Department of Fish and Wildlife, and the Oregon Parks and Recreation Department may still assist counties during the project review process for a fee for service. Overall the fiscal impact to state agencies is indeterminate at this time as the results of the number of developers that will shift energy siting facilities from the state to the local permitting process is unknown.

Department of Energy (ODOE)

The impact to ODOE is indeterminate however a potential revenue loss is likely to result from renewable energy projects opting-out of the EFSC review process. The amount of revenue loss is unknown but is estimated to be around \$163,505 Other Funds in the 2019-21 biennium; this revenue loss is not significant enough in the short-term to necessitate position or services and supplies reductions, however the program revenue and expenditure actuals should be re-evaluated during the 2021-23 budget development process.

Department of Fish and Wildlife (ODFW) & Parks and Recreation Department (OPRD)

The legislation allows applicants for renewable energy facilities to enter into an agreement with the counties for a cost reimbursement agreement with state agencies to provide comments on the potential for significant adverse impacts of the proposed energy facility. Currently, under the EFSC process, the following state agencies provide input: ODFW for wildlife habitat mitigation; and OPRD for cultural resources. The potential workload impact to the aforementioned state agencies is indeterminate as the number of energy projects and complexity of work associated with the county-level processes has yet to be determined. For now, is assumed that the existing agency budgets will provide sufficient staffing and other funds expenditure limitation, however the affected agencies could always return to the Emergency Board or an Interim meeting of the Legislature if existing resources prove to be insufficient.

Counties

Counties report that the additional costs associated with this legislation are anticipated to be reimbursed by fees charged to energy developer applicants. Some counties already have existing ordinances and codes in place related to facility siting; others may need to further develop their ordinances and codes to meet the

requirements in the bill. The Association of Oregon Counties reports that not all counties will opt into the permitting process outlined in the bill; it will be most likely be undertaken in 12-15 counties in this state.

Other

No or minimal budgetary impacts are anticipated by the following agencies as a result of this legislation: Land Use Board of Appeals, Department of Land Conservation and Development, Department of Aviation.