

## ANALYSIS

### Item 31: Business Development Department Rural Broadband Technical Adjustment

---

**Analyst:** Matt Stayner

**Request:** Establish an Other Funds expenditure limitation of \$287,800 for the Oregon Business Development Department for the expenditure of Coronavirus Relief Funds for Rural Broadband.

**Analysis:** The requested Other Funds expenditure limitation is necessary to make a technical correction to the language of section 83 of HB 5202 (2022), which is the omnibus budget reconciliation bill adopted during the 2022 regular legislative session. The language in the bill erroneously established Other Funds expenditure limitation from American Rescue Plan Act (ARPA) Coronavirus State Fiscal Recovery Funds instead of Coronavirus Relief Funds, as was intended.

Approval of the request will allow the agency to account for expenditures of Coronavirus Relief Fund monies that were not completed in the prior biennium from the original \$10 million allocation of Coronavirus Relief Fund monies for the Rural Broadband Capacity Program made available to the agency through Emergency Board action in June of 2020.

**Recommendation:** The Legislative Fiscal Office recommends that the Emergency Board establish an Other Funds expenditure limitation of \$287,800 for the Oregon Business Development Department for the expenditure of Coronavirus Relief Funds for Rural Broadband.

31  
Oregon Business Development Department  
Brickman

---

**Request:** Establish Other Funds expenditure limitation in the amount of \$287,000 for the expenditure of Coronavirus Relief Funds (CRF), which were committed but unexpended at the close of the 2019-2021 biennium.

**Recommendation:** Approve the request.

**Discussion:** At a June 2020 meeting of the Emergency Board, the Oregon Business Development Department (OBDD) was authorized to use \$20 million in CRF federal funding transferred from the Department of Administrative Services for the Rural Broadband program. Upon the close of the 2019-21 biennium, OBDD had \$287,000 of remaining commitments and revenue.

During the February 2022 Legislation Session, the Legislature intended to give OBDD the authority to use these funds in the 2021-23 biennium. However, the language in House Bill 5202, Section 83, referenced the American Rescue Plan Act (ARPA) funds, rather than the CRF. The reference to ARPA was unintentional and should have referenced CRF. This request is a technical adjustment to establish Other Funds expenditure limitation for the use of CRF dollars, rather than ARPA funds.

Upon approval of this request The Department of Administrative Services will un-schedule the \$287,000 Other Funds expenditure limitation related to ARPA funds established in the February 2022 session.

**Legal Reference:** Establishment of an expenditure limitation of \$287,000 for the Oregon Business Development Department for the payment of expenses from fees, moneys, or other revenues including Miscellaneous Receipts, excluding lottery and federal funds, collected or received from the biennium beginning July 1, 2021, for the use of Coronavirus Relief Funds for the Rural Broadband program.



April 29, 2022

The Honorable Senator Peter Courtney, Co-Chair  
The Honorable Representative Dan Rayfield, Co-Chair  
Joint Emergency Board  
900 Court Street NE  
H-178 State Capitol  
Salem, OR 97301

Dear Co-Chairs:

### **Nature of the Request**

The Oregon Business Development Department (OBDD) respectfully requests the establishment of Other Funds expenditure authority in the amount of \$287,800 to allow expenditure of the Coronavirus Relief Funds (CRF) for Rural Broadband that were committed but unexpended at the close of the last appropriation year.

### **Agency Action**

During its June 2020 meeting, the Emergency Board authorized the use of CRF received by the Department of Administrative Services and transferred to OBDD for Rural Broadband and established a \$20M expenditure limitation. At the close of the 2019-21 biennium, OBDD had outstanding commitments and available revenue of \$287,800.

During the February 2022 legislative session, the Legislature intended to authorize the continued use of these funds in 2021-23 in HB 5202, Section 83. However, the language in the final bill listed the resource as American Rescue Plan Act Coronavirus State Fiscal Recovery Funds rather than as Coronavirus Relief Funds. As these are two legally separate resources, a technical adjustment is needed.

### **Action Requested**

OBDD requests the establishment of an Other Funds expenditure limitation in the amount of \$287,800 within Business, Innovation and Trade, to allow expenditure of the Coronavirus Relief Funds (CRF) for Rural Broadband that were committed but unexpended at the close of the last appropriation year.

### **Legislation Affected**

None.

Sincerely,

Chris Cummings  
Assistant Director