

## FISCAL IMPACT OF PROPOSED LEGISLATION

81st Oregon Legislative Assembly – 2021 Regular Session  
Legislative Fiscal Office

Measure: HB 2125

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

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### **Measure Description:**

Authorizes State Treasurer, at request of State Parks and Recreation Department, to issue lottery bonds for biennium beginning July 1, 2021, for deposit in Oregon Parks for the Future Fund.

### **Government Unit(s) Affected:**

Oregon Tourism Commission (Travel Oregon), Bonding, Oregon Parks and Recreation Department (OPRD), Oregon State Treasurer (OST)

### **Summary of Fiscal Impact:**

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

### **Analysis:**

House Bill 2125 authorizes the Oregon State Treasurer to issue lottery bonds in an amount that will produce \$100 million in net proceeds and interest earnings, plus an additional amount to pay bond-related costs. The net proceeds of these lottery bonds shall be transferred to the Oregon Parks and Recreation Department (OPRD) for deposit in the Oregon Parks for the Future Fund, established in ORS 390.067, which shall be used to pay for costs of state park projects and, upon written request, to pay for bond-related costs that are allocable to state park lottery bonds. The measure also directs OPRD, in consultation with the Oregon Tourism Commission (Travel Oregon) and other relevant state agencies, to conduct a study of the impact of lost revenue during the COVID-19 pandemic on outdoor recreation and tourism in Oregon. The study must identify and recommend a model for organizing outdoor recreation and tourism service delivery to maximize operational efficiencies and improve experiences for individuals engaging in outdoor recreation in Oregon. OPRD shall submit a report with the results of the study and any recommendations for legislation to an interim committee of the Legislative Assembly related to natural resources on or before September 15, 2022. The measure takes effect on passage.

### **Oregon Parks and Recreation Department**

The measure directs OPRD to conduct a study and submit a report to the Legislature regarding the impact of the COVID-19 pandemic on outdoor recreation and tourism in Oregon. OPRD conducts these kinds of studies as part of its regular business, so conducting this study would have a minimal fiscal impact on OPRD.

The measure authorizes the issuance of lottery revenue bonds in an amount that produces \$100 million in net proceeds for transfer to OPRD for deposit in the Oregon Parks for the Future Fund. In accordance with ORS 390.067, these funds are continuously appropriated and shall be used to pay for costs of state park projects and, upon written request, to pay for bond-related costs that are allocable to state park lottery bonds.

Lottery revenue bond authority would need to be established for the \$100 million in bond proceeds, as well as costs of issuance and debt service reserves. OPRD would need an increase in Other Funds limitation to match the amount deposited in the Oregon Parks for the Future Fund and to pay bond costs of issuance. This measure would have a fiscal impact related to the issuance of lottery revenue bonds, including costs of issuance, debt service reserves, and Lottery Funds debt service.

The measure warrants a subsequent referral to the Joint Committee on Ways and Means for consideration of the cost of issuing lottery bonds and its impact on OPRD's biennial budget.

**Oregon Travel Commission (Travel Oregon)**

While the measure requires OPRD to consult with Travel Oregon to study the impact of lost revenue during COVID-19 on outdoor recreation and tourism, it does not specify that Travel Oregon is responsible for any costs associated with the study. Any consultation required would be provided with existing resources. The measure would thus have minimal fiscal impact on Travel Oregon.

**Oregon State Treasurer**

The measure authorizes OST to issue lottery bonds that would raise \$100 million in net proceeds and interest earnings. These bond sales are estimated to have no direct impact on OST, as bond sales are a normal and routine part of its operations. For that reason, the measure would have no fiscal impact on OST.