

HB 3040 A BUDGET REPORT and MEASURE SUMMARY

Joint Committee On Ways and Means

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**Housing and Community Services Department
2021-23**

PRELIMINARY

Budget Summary

	2019-21 Legislatively Approved Budget ⁽¹⁾	2021 - 23 Current Service Level	2021-23 Committee Recommendation	Committee Change from 2019-21 Leg. Approved	
				\$ Change	% Change
General Fund	\$ -	\$ -	\$ 911,604	\$ 911,604	100.0%
Total	\$ -	\$ -	\$ 911,604	\$ 911,604	100.0%

Position Summary

Authorized Positions	0	0	1	1
Full-time Equivalent (FTE) positions	0.00	0.00	0.46	0.46

⁽¹⁾ Includes adjustments through January 2021

Summary of Revenue Changes

HB 3040 makes a one-time General Fund appropriation of \$911,604 to the Housing and Community Services Department (HCSD) in the 2021-23 biennium to conduct a comprehensive study of system development charges.

Summary of Transportation and Economic Development Subcommittee Action

HB 3040 provides \$911,604 General Fund and one limited duration position (0.46 FTE) to HCSD for one-time costs in the 2021-23 biennium for conducting a comprehensive study of system development charges. The measure directs HCSD to consult with the Department of Land Conservation and Development (DLCD), the Department of Environmental Quality (DEQ), the Department of Revenue (DOR), the Oregon Business Development Department (OBDD) and local governments to address the history and role of system development charges in supporting residential development; how the availability of funding for capital improvements has affected system development charge fee rates; how the effects of Ballot Measures 5 and 50 on ad valorem property tax rates affect rate setting for system development charge fees; the costs of providing capital improvements needed for housing; the costs to public agencies of providing services needed for planning, inspecting and issuing permits for housing and how the costs affect system development charge fee rates; and issues relating to system development charge transparency. HCSD may contract with a third party to conduct or assist with any components of the study. A preliminary report is due to the interim legislative committees related to housing and economic recovery and prosperity by December 31, 2021 and the final report is due by June 1, 2022.

To carry out the provisions of this bill, HCSD will hire one limited duration Operations and Policy Analyst 2 position (0.46 FTE) to handle the public-facing duties related to conducting the study, resulting in personal services costs of \$86,171 General Fund. In addition, one-time services and supplies costs of \$825,433 will be needed to contract for administrative support, data collection, and data analysis.

DETAIL OF JOINT COMMITTEE ON WAYS AND MEANS ACTION

Housing and Community Services Department
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DESCRIPTION	GENERAL FUND	LOTTERY FUNDS	OTHER FUNDS		FEDERAL FUNDS		TOTAL ALL FUNDS	POS	FTE
			LIMITED	NONLIMITED	LIMITED	NONLIMITED			
<u>SUBCOMMITTEE ADJUSTMENTS</u>									
Personal Services	\$ 86,171	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 86,171	1	0.46
Services and Supplies	\$ 825,433	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 825,433		
TOTAL ADJUSTMENTS	\$ 911,604	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 911,604	1	0.46
SUBCOMMITTEE RECOMMENDATION	\$ 911,604	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 911,604	1	0.46

PRELIMINARY