

FISCAL IMPACT OF PROPOSED LEGISLATION

Measure: SB 29

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

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

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Date: March 23, 2021

Measure Description:

Transfers authority to manage State Capitol State Park from State Parks and Recreation Department to Oregon Department of Administrative Services.

Government Unit(s) Affected:

Oregon Parks and Recreation Department (OPRD), Department of Administrative Services (DAS)

Summary of Fiscal Impact:

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

Analysis:

The measure would transfer responsibility for the State Capitol State Park (SCSP) from the Oregon Parks and Recreation Department (OPRD) to the Department of Administrative Services (DAS). OPRD would transfer all records, property, employees, and access to the State Capitol Operating Account associated with SCSP to DAS, as well as any unexpended revenues and any liabilities, duties, or obligations incurred by OPRD prior to the transfer. DAS would assume any actions, proceedings, or prosecutions related to SCSP that OPRD began prior to the transfer. Any rules, uncodified laws, or resolutions relating to SCSP would remain in effect until superseded or repealed by DAS rules; otherwise, any such references to OPRD would be assumed to refer to DAS instead. The measure would direct the Capitol Planning Commission to advise DAS regarding SCSP administration. The measure would appropriate \$3.5 million General Fund to DAS to perform its duties relating to SCSP administration. The measure would take effect 91 days after adjournment *sine die*.

Department of Administrative Services

DAS currently handles most of the landscaping in and around state owned property in the Capitol Mall area. The measure would amend the statute clarifying that DAS would manage and control the grounds, including ground maintenance, utilities, and other necessary items for the SCSP. Policy Option Package #113 in the DAS Agency Request Budget for 2021-23 includes \$3.5 million Other Funds for maintenance and upkeep of the Capitol grounds in anticipation of this change. While POP #113 would provide the necessary Other Funds expenditure limitation, those funds are derived from the DAS Enterprise Asset Management Rent Program. Uniform Rent recovers, via an assessment, all building costs in DAS' office buildings, which includes building maintenance, custodial services, depreciation and deferred maintenance (to pay for construction and improvement), normal utilities, debt service, building security, recycling, landscaping and administrative overhead. Multiple fund sources, including General Fund are used to pay for these assessments.

The measure warrants a subsequent referral to the Joint Committee on Ways and Means for consideration of its impact on the State General Fund and DAS's biennial budget.

Oregon Parks and Recreation Department

OPRD owns, manages, and operates state parks across the State of Oregon. Senate Bill 632 (Chapter 892, Oregon Laws 2007), which transferred responsibility for administering SCSP from DAS to OPRD, established five positions within OPRD. Currently, the SCSP is part of the Willamette Mission Management Unit and funded on a split of

Park User Fees, Recreational Vehicle Fees and constitutionally dedicated Lottery Funds, as are other parks across the state.

OPRD received \$400,000 Other Funds as a transfer from DAS during the 2019 Regular Session to evaluate and perform maintenance on SCSP. OPRD would need to transfer any unspent portion of the \$400,000 by the time SCSP is transferred to DAS. However, OPRD estimates that the entirety of the \$400,000 will be spent by the end of the 2019-21 biennium; thus, OPRD would have no funds to transfer.

OPRD estimates that the measure would reduce the department's services and supplies costs by \$408,097 in 2021-23. The \$408,097 total reduction in Lottery and Other Funds for the period between July 1, 2021 and December 31, 2021 would result from savings in utilities, restroom maintenance, vehicle rentals from DAS for transportation, and purchase of tools and supplies to maintain the landscape of SCSP.

However, because SCSP is a small part of the larger Willamette Mission Management Unit and the Valley Region of state parks, OPRD believes it would need to retain the five positions within SCSP. OPRD would like to repurpose these positions to meet the increasing need for staff in the park system. Even before the COVID-19 pandemic began, parks experienced increased usage from the public, which increased the workload demands of park staff in the Valley Region. Retaining these positions could reducing those workload demands.

In addition to the reasons stated above, the measure warrants a subsequent referral to the Joint Committee on Ways and Means for consideration of its impact on State Lottery Funds and OPRD's biennial budget.