

FISCAL IMPACT OF PROPOSED LEGISLATION

Measure: HB 4060 - A

81st Oregon Legislative Assembly – 2022 Regular Session
Legislative Fiscal Office*Only Impacts on Original or Engrossed
Versions are Considered Official*Prepared by: Michael Graham
Reviewed by: Michelle Deister
Date: February 14, 2022**Measure Description:**

Directs the Oregon Department of Transportation to establish a program to provide administrative and technical assistance to any state agency, local government, or community organization in the state for activities related to federal funding opportunities that support natural resource related priorities, programs, or projects

Government Unit(s) Affected:

Oregon Department of Transportation (ODOT)

Summary of Fiscal Impact:

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

Summary of Expenditure Impact:**Oregon Department of Transportation**

	2021-23 Biennium	2023-25 Biennium
General Fund		
Personal Services	237,232	406,682
Services and Supplies	468,979	32,535
Total General Fund	\$706,211	\$439,217
Positions	2	2
FTE	1.16	2.00

Analysis:

House Bill 4060 A-engrossed directs the Oregon Department of Transportation (ODOT) to establish a program to provide administrative and technical assistance to any state agency, local government, or community organization in the state of Oregon for activities related to federal funding opportunities that support natural resource-related priorities, programs, or projects. This work includes researching and analyzing federal funding opportunities; advertising and coordinating funding opportunities across state agencies, local governments, and private organizations; assisting entities with federal grant application processes; and tracking and reporting individual grant awards for compliance with federal regulation. The measure takes effect on passage.

This increase in workload represents a significant fiscal impact to ODOT as it will require ODOT to establish a new program with new, dedicated resources to provide the type and level of assistance described in the measure. It should also be noted that because the work described in this measure is related to natural resource programs and not transportation programs, these expenditures are not State Highway Fund eligible and therefore this work cannot be funded through state highway fund dollars. Consequently, ODOT will need additional budgetary resources to develop and administer this new program.

To handle the increase in workload, ODOT anticipates the program will be administered by a combination of additional staff and consultant services. Beginning in the spring of 2022, ODOT will need to hire two permanent, full-time positions (1.16 FTE in 2021-23, 2.00 FTE in 2023-25), including an Operations and Policy Analyst (OPA) 3 to develop and manage the program, including researching, compiling, analyzing, and coordinating new funding

streams, and managing this process across the Executive Branch, and an OPA 2 to provide assistance with the administration of grant funds and adherence to federal funding requirements. Additionally, ODOT anticipates needing to contract with a third-party consultant firm to assist with managing the program, designing program processes, developing training materials, identifying federal funding sources, and drafting grant applications.

Including both one-time costs and ongoing program costs for personal services and services and supplies, the estimated fiscal impact to ODOT in the 2021-23 biennium is \$706,211 General Fund, which includes an estimated \$450,000 General Fund in services and supplies for consultant services. The estimated fiscal impact in the 2023-25 biennium is \$439,217 General Fund for personal services and services and supplies.

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