

FISCAL IMPACT OF PROPOSED LEGISLATION**Measure: SB 458**

82nd Oregon Legislative Assembly – 2023 Regular Session

Legislative Fiscal Office

Only Impacts on Original or Engrossed Versions are Considered Official

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Measure Description:

Appropriates moneys from General Fund to Higher Education Coordinating Commission for allocation to Oregon State University to fund agricultural experiment station and branch stations, Oregon State University Extension Service and Forest Research Laboratory.

Government Unit(s) Affected:

Higher Education Coordinating Commission, Oregon State University

Summary of Fiscal Impact:

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

Summary of Expenditure Impact:

	2023-25 Biennium	2025-27 Biennium
Higher Education Coordinating Commission		
General Fund		
Special Payments	\$50,000,000	\$0
Total General Fund	\$50,000,000	\$0
Total Fiscal Impact	\$50,000,000	\$0

Analysis:

Senate Bill 458 appropriates \$50 million General Fund to the Higher Education Coordinating Commission (HECC) in the 2023-25 biennium, to be allocated to and expended by Oregon State University (OSU) in unspecified amounts for the OSU agricultural experiment station and branch stations, the OSU Extension Service, and the Forest Research Laboratory. The measure takes effect on July 1, 2023.

The measure is anticipated to have a fiscal impact on HECC, in that HECC would distribute the \$50 million General Fund appropriation as special payments to OSU. However, there would be no additional cost to HECC to distribute these funds, and any increase in workload, associated with processing these special payments, is anticipated to be minimal and absorbable within HECC's 2023-25 current service level.

While the measure does not specify how the \$50 million is to be allocated among the three OSU programs, this fiscal impact statement assumes that \$15.7 million would be used for ongoing program costs, including an increase to the base budget to cover salary, benefits, and operation costs, as well as a provision to backfill the base budget for the statewide programs that were not previously funded. The remaining \$34.3 million would be used to fund the Resilient Oregon Programming, including \$12.2 million for resilient communities, \$17.9 million for resilient food systems, and \$4.2 million for resilient natural resources. In total, \$22.1 million would be distributed to the OSU agricultural experiment station and branch stations, \$24.7 million to the OSU Extension Service, and \$3.2 million to the Forest Research Laboratory.

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