

FISCAL IMPACT OF PROPOSED LEGISLATION**Measure: HB 3268 - 3**

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:

Establishes Rural System Development Charges Program within Housing and Community Services Department to pay system development charges for rural affordable multifamily housing.

Government Unit(s) Affected:

Cities, Counties, Housing and Community Services Department

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
Housing and Community Services Department		
General Fund	\$3,000,000	\$0
Total General Fund	\$3,000,000	\$0
Other Funds*		
Personal Services	\$174,443	\$62,799
Services and Supplies	\$16,120	\$5,375
Special Payments	\$2,741,263	
Total Other Funds	\$2,931,826	\$68,174
Total Fiscal Impact	\$5,931,826	\$68,174
<i>Total Positions</i>	1	1
<i>Total FTE</i>	0.75	0.25
<i>*Represents General Fund expended as Other Funds</i>		

Analysis: The measure establishes the Rural System Development Charges Program within the Housing and Community Services Department (HCSD) to pay system development charges for developers of rural multifamily affordable housing. The measure also establishes the Rural System Development Charges Fund and appropriates \$3 million General Fund into that fund for the purposes of the program. Expenditures from the fund require corresponding Other Funds expenditure limitation. The measure requires HCSD to report to an interim committee of the Legislative Assembly related to housing on the implementation of the program by September 15 of even-numbered years. The program is repealed on June 30, 2029 and any remaining balance in the Rural System Development Charges Fund would revert to the General Fund upon the sunset of the program. All special payments related to the measure are anticipated to be disbursed in the 2023-25 biennium.

For the 2023-25 biennium, one full-time Operations and Policy Analyst 3 position (0.75 FTE) will develop the program, establish rules, create a program manual, and oversee the grant process, including awarding and disbursing grants. This position is anticipated to be needed part-time in the 2025-27 biennium.

Cities and counties do not anticipate a fiscal impact due to the provisions of this bill.

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