

FISCAL IMPACT OF PROPOSED LEGISLATION

Measure: HB 3251 - 2

82nd Oregon Legislative Assembly – 2023 Regular Session

Legislative Fiscal Office

Only Impacts on Original or Engrossed Versions are Considered Official

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 Date: 03/28/2023

Measure Description:

Requires Oregon Tourism Commission to establish and administer grant program to promote, develop and sustain opportunities for agricultural tourism in rural communities in this state.

Government Unit(s) Affected:

Oregon Business Development Department, Tourism Commission

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
Oregon Business Development Department		
General Fund		
Special Payments	\$2,000,000	\$0
Total General Fund	\$2,000,000	\$0
<i>Total Funds</i>	\$2,000,000	\$0
<i>Positions</i>	0	0
<i>FTE</i>	0.00	0.00
Oregon Tourism Commission		
Other Funds*		
Personal Services	\$120,075	\$0
Services and Supplies	\$79,925	\$0
Special Payments	\$1,800,000	\$0
Total Other Funds	\$2,000,000	\$0
<i>Total Funds</i>	\$4,000,000	\$0
<i>Positions</i>	1	0
<i>FTE</i>	0.50	0.00
Total General Fund	\$2,000,000	\$0
Total Other Funds	\$2,000,000	\$0
Total Fiscal Impact	\$4,000,000	\$0
<i>Total Positions</i>	1	0
<i>Total FTE</i>	0.50	0.00

**Represents General Fund expended as Other Funds*

Analysis: The measure requires the Oregon Tourism Commission (OTC) to establish and administer programming to promote, develop and sustain opportunities for agricultural tourism in rural communities. It appropriates \$2 million General Fund to the Oregon Business Development Department for distribution to the Commission for programming purposes in the 2023-25 biennium. The funds will be distributed as grants to be used for education and training to those looking to provide agricultural tourism and to develop and publicize opportunities for

agricultural tourism. Grant awards may not exceed \$100,000. The Commission may use up to 5% of the funds available to establish and administer the program, and any excess will need to be paid using Transient Lodging Tax funds.

OTC will need one Grant Manager (0.50 FTE) to establish the grant program, develop training for entities interested in agricultural tourism, establish rules and guidelines, promote opportunities, manage grant application review, and perform due diligence on applicants and grantees to ensure compliance with the grant program. OTC also anticipates engaging a consultant to assist with developing training, education, and support programs for interested entities.

OTC, doing business as Travel Oregon, is a semi-independent commission established by ORS 284.107. The Commission's budget is not subject to Executive Branch review, or approval or modification by the Legislative Assembly.

OBDD will distribute the \$2 million General Fund to OTC and anticipates this will be accomplished with existing resources.