

FISCAL IMPACT OF PROPOSED LEGISLATION

Measure: HB 2763 - A3

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: June 1, 2023

Measure Description:

Establishes State Public Bank Task Force.

Government Unit(s) Affected:

Department of Consumer and Business Services, Cities, Counties, Legislative Assembly, Oregon Business Development Department, State Treasurer, Task Force/Committee/Workgroup

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		
Personal Services	\$157,274	\$0
Services and Supplies	\$274,288	\$0
Total General Fund	\$431,562	\$0
Total Fiscal Impact	\$431,562	\$0
<i>Total Positions</i>	1	0
<i>Total FTE</i>	0.63	0.00

Analysis:

HB 2763 - A3 creates the 19-member State Public Bank Task Force which is to study and make recommendations regarding the establishment of a state public bank. The task force is to submit a final report to an appropriate interim or standing committee of the Legislative Assembly by September 1, 2024.

The bill directs the Oregon Business Development Department (OBDD) to provide staff support for the task force, and the task force may apply for public or private grants from nonprofit organizations for expenses related to its duties. All members of the task force are entitled to compensation and expenses. The measure declares an emergency and takes effect on passage. The task force sunsets on January 2, 2025.

Oregon Business Development Department

The bill requires OBDD to provide staff support to the task force. Estimated costs for OBDD to support the task force are \$431,562 General Fund. Assuming biweekly meetings occur from when the task force is appointed to when the report is due in September 2024, this will require one limited duration, full time Operations and Policy Analyst 4 (0.63 FTE in the 2023-25 biennium) at a total cost of \$157,274 General Fund for personal services and \$13,864 for services and supplies. Because non-legislative members are eligible for compensation and expenses, there are additional costs of approximately \$50,424 General Fund, though this amount could change based on the number of members eligible for compensation under ORS 292.495, number of meetings held, and number of in-person meetings. Additional projected costs include \$200,000 General Fund to hire a consultant to perform research, and \$10,000 for legal expenses. OBDD has also noted the potential need for administrative support for

the task force, however, given that a consultant will be supporting the work of this task force in addition to OBDD staff, the Legislative Fiscal Office did not include the additional administration in this fiscal impact statement.

Legislative Assembly

The bill is expected to have a minimal impact on the Legislative Assembly. Four members of the task force will be legislative members who are entitled to per diem and travel reimbursement. Meetings are set by the chairperson and it is unknown how often the task force would meet. However, assuming the task force meets monthly, the estimated per diem and travel reimbursement costs will total \$20,100. This amount includes the Federal Insurance Contribution Act (FICA) tax, assumes the per diem remains at \$157 per day, and estimates an average mileage of 171 miles at the current rate of \$0.655 per mile. This estimate could change based on the number of meetings held. The task force would not incur additional costs to the Legislative Assembly budget if the meetings are held at the Capitol building during the Legislative Session, or Task Force or Legislative Days.

These numbers are not included in the table above as the 2023-25 Legislative Assembly budget contains funds allocated for interim committees and task forces. However, if the work required by this task force, or if the cumulative enactment of other legislation with interim committees and task forces exceeds expenditure levels beyond those assumed in the 2023-25 budget, additional General Fund resources may be required.

Other agencies

This measure has a minimal impact for Oregon State Treasurer, and no fiscal impact for cities, counties, and Department of Consumer and Business Services.