

**FISCAL IMPACT OF PROPOSED LEGISLATION****Measure: HB 2650 - A**

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 requirements for workgroups and task forces.

**Government Unit(s) Affected:**

Department of Administrative Services, Task Force/Committee/Workgroup, Legislative Assembly, Legislative Administration

**Summary of Fiscal Impact:**

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

**Analysis:**

HB 2650 - A requires that task forces and work groups established by statute or a member of the Legislative Assembly must meet certain requirements around member composition; schedule meetings at times that center participation by impacted persons; and allow, as much as possible, participants to participate remotely and share thoughts through multiple means, including e-mail and speaking when meeting.

The measure also requires members of task forces and work groups who are not otherwise compensated for their participation to be compensated for time and travel by the Legislative Assembly in an amount equal to the per diem allowance allowed to members of the Legislative Assembly. Members may decline to accept compensation. Compensation must be made in a manner that does not compromise a person's eligibility for public benefits, which can include cash, gift cards, or contributions to an account established within the Oregon 529 Savings Network or to a retirement savings plan account. If a person chooses to receive cash compensation, they must be informed that receipt of cash may impact eligibility for public benefits. This measure takes effect January 1, 2024.

The total fiscal impact of this measure is indeterminate.

A preliminary estimate provided by Legislative Administration places a partial cost of implementation at approximately \$400,000 General Fund. As part of this high-level estimate, task force reimbursement is estimated at \$201,008. Legislative Administration has identified 17 statutory task forces that met an average of eight times and had an average of 10 members eligible for compensation in 2021-23. Of the 17 task forces, four allowed compensation. Had members on the remaining task forces been eligible for compensation and reimbursement, costs would have totaled \$201,008. This amount is based on the current per diem rate of \$157 and mileage of \$0.655 per mile with an average of 80 average miles.

The definition of "task force" under this measure is "a group, created by statute for the purpose of discussing proposed legislation or recommendations for legislation, that lasts no longer than two years." This definition would potentially include statutorily created groups that are not named as task forces in legislation but fall under this definition (such as commissions, work groups, councils, and advisory committees), as well as statutory groups that are created within agencies, whose members may also be eligible for compensation under this measure. Further analysis of the potential number of task forces is required.

Legislative Administration also anticipates that implementation of this measure would require one new permanent, full-time Accountant position (0.75 FTE in 2023-25 and 1.00 FTE in 2025-27) at a cost of \$141,456 for personal services and \$8,000 for position-related services and supplies in the 2023-25 biennium; and \$188,611 for personal services and \$8,000 for position-related services and supplies in the 2025-27 biennium. This position would be needed to process additional compensation, and collect forms and support documents to process reimbursements and substantiate expenses. This position is priced at 0.75 FTE in the 2023-25 biennium, reflecting the January 1, 2024 effective date of the measure. However, Legislative Administration notes that the position would need to start before that date in order to work on the new reimbursement and compensation process; hiring in September 2023 would increase costs by \$23,578 General Fund. The agency also anticipates costs of \$19,800 in the 2023-25 biennium for a point of sale system to issue cash and gift cards.

An important aspect of this measure that remains indeterminate is the compensation for work groups convened by a member of the Legislative Assembly, since that information is not publicly available. Legislative Administration notes that this measure does not limit the number of work groups a member may convene, or the number of participants. Legislative Administration will need to develop a way to track work groups, membership, and compensation.

There is no fiscal impact for the Department of Administrative Services.

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