

FISCAL IMPACT OF PROPOSED LEGISLATION

Measure: HB 3349 - 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:

Directs the Higher Education Coordinating Commission, in consultation with the Department of Administrative Services, to enter an agreement with Oregon Solutions at Portland State University to assess interest in and convene, as appropriate, entities to collaboratively develop an infrastructure funding readiness hub and enter agreements with entities to perform the functions of funding navigators. Appropriates General Fund to the commission, which may be expended for entering an agreement with Oregon Solutions at Portland State University.

Government Unit(s) Affected:

Higher Education Coordinating Commission, Department of Administrative Services, Portland State University, Office of the Governor, Counties, Cities, School Districts, Confederated Tribes of Grand Ronde, Confederated Tribes of Siletz, Confederated Tribes of Warm Springs, Burns Paiute Tribe, Confederated Tribes of Coos, Lower Umpqua and Siuslaw Indians, Confederated Tribes of Umatilla Indian Reservation, Coquille Indian Tribe, Cow Creek Band of Umpqua Indians, Klamath Tribes

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	\$2,400,000	\$0
Total General Fund	\$2,400,000	\$0
Total Fiscal Impact	\$2,400,000	\$0

Analysis:

House Bill 3349 A-engrossed directs the Higher Education Coordinating Commission (HECC), in consultation with the Department of Administrative Services (DAS), to enter an agreement with Oregon Solutions at Portland State University (PSU) to assess interest in and convene, as appropriate, entities to collaboratively develop an infrastructure funding readiness hub and enter agreements with entities to perform the functions of funding navigators. The measure appropriates \$2,400,000 General Fund to HECC in the 2023-25 biennium, which may be expended for entering an agreement with Oregon Solutions at PSU. The agreement must provide for \$300,000 to be paid to Oregon Solutions to facilitate the collaborative development of the infrastructure funding readiness hub. In developing the infrastructure readiness hub, Oregon Solutions at PSU must coordinate with the Office of the Governor, the Regional Solutions Program, the entities described in the measure, state agencies with programs related to infrastructure funding and other relevant entities. Oregon Solutions at PSU may award grants or stipends that participate in the collaborative development of the infrastructure funding readiness hub. Oregon Solutions at PSU must submit a report on the development of the infrastructure funding readiness hub to appropriate legislative committees by December 31, 2024. Oregon Solutions at PSU must enter into agreements with the League of Oregon Cities, the Association of Oregon Counties, the Special Districts Association of Oregon, the Oregon Economic Development Districts Association, the Oregon Conservation Partnership the Affiliated

Tribes of Northwest Indians Economic Development Corporation, and the Oregon Community Foundation. The measure takes effect on passage.

Higher Education Coordinating Commission

Although the measure requires HECC to enter into an agreement with PSU to make \$2,400,000 General Fund in special payments to Oregon Solutions at PSU for distribution to the seven organizations named as funding navigators, the measure is anticipated to have a minimal fiscal impact on HECC. Drafting and administering the agreement would only marginally increase the workload of HECC staff, and thus, is absorbable within HECC's 2023-25 current service level.

Portland State University

The measure is anticipated to have a fiscal impact on PSU. The \$2,400,000 General Fund paid to Oregon Solutions at PSU would cover seven payments of \$300,000 each to the seven organizations designated as funding navigators, for a total of \$2,100,000. The remaining \$300,000 would be used by Oregon Solutions for administrative costs and stipends and reimbursements to facilitate the collaborative development of the infrastructure funding readiness hub. PSU estimates needing four positions in academic years 2023-24 and 2024-25, including one Project Manager position to serve as the lead facilitator and mediate conversations and support the overall process; one Project Associate position to organize the project, create agendas, facilitate subgroups, and support follow-up tasks for the group; one Program Director position to support strategy for the project; and one Administrative Support position to coordinate requests and payments for participant stipends and expense reimbursements. PSU estimates that \$30,000 of the remaining \$300,000 would be used for stipends and expense reimbursements to entities that participate in the collaborative development of the hub and \$31,106 in travel costs in academic years 2023-24 and 2024-25 to carry out the program.

Other Government Units

The measure is anticipated to have a minimal fiscal impact on cities, counties, special districts, and the nine federally recognized Indian Tribes, in their capacity as funding navigators. Funding navigators would need to put time and resources into increasing access to information, resources, and assistance for navigating available funding opportunities related to natural or built infrastructure, with a focus on near-term federal funding opportunities. They would develop an inventory of state matching funds needed to secure federal funding for natural or built infrastructure; identify barriers to accessing state and federal funding opportunities, or securing state or local matching funds, for natural or built infrastructure; and develop recommendations to address barriers for cities, counties, special districts, and the nine federally recognized Indian Tribes, respectively.

The measure is anticipated to have a minimal fiscal impact on the Office of the Governor and the Department of Administrative Services.