

**HB 2927 C BUDGET REPORT and MEASURE SUMMARY**

**Carrier:** Sen. Hansell

**Joint Committee On Ways and Means**

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**Action Date:** 06/16/21

**Action:** Do pass with amendments to the B-Eng bill to resolve conflicts. (Printed C-Eng.)

**Senate Vote**

**Yeas:** 12 - Anderson, Frederick, Girod, Golden, Gorsek, Hansell, Johnson, Knopp, Lieber, Steiner Hayward, Taylor, Thomsen

**House Vote**

**Yeas:** 10 - Bynum, Drazan, Gomberg, Leif, McLain, Nosse, Rayfield, Sanchez, Sollman, Stark

**Exc:** 1 - Smith G

**Prepared By:** Michelle Lisper, Department of Administrative Services

**Reviewed By:** Julie Neburka, Legislative Fiscal Office

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**Military Department**

**2021-23**

**Emergency Board**

**2021-23**

**Office of the Governor**

**2021-23**

**Budget Summary\***

	2019-21	2021-23	Committee Change from 2019-21	
	Legislatively Approved Budget <sup>(1)</sup>	Committee Recommendation	Committee Change from 2019-21 Leg. Approved	
			\$ Change	% Change
<b><u>Oregon Military Department</u></b>				
General Fund	\$ -	\$ 4,437,891	\$ 4,437,891	100.0%
Other Funds Limited	\$ -	\$ 5,000,000	\$ 5,000,000	100.0%
Total		\$ 9,437,891	\$ 9,437,891	
<b><u>Emergency Board</u></b>				
General Fund	\$ -	\$ 1,807,561	\$ 1,807,561	100.0%
Total		\$ 1,807,561	\$ 1,807,561	
<b><u>Office of the Governor</u></b>				
General Fund	\$ -	\$ 237,161	\$ 237,161	100.0%
Total		\$ 237,161	\$ 237,161	

**Position Summary**

**Oregon Military Department**

Authorized Positions	0	13	13
Full-time Equivalent (FTE) positions	0.00	13.00	13.00

**Office of the Governor**

Authorized Positions	0	1	1
Full-time Equivalent (FTE) positions	0.00	1.00	1.00

\* Excludes Capital Construction expenditures

## **Summary of Revenue Changes**

HB 2927 appropriates \$4,437,891 General Fund to the Oregon Military Department (OMD) for preparing to establish the current Office of Emergency Management as a separate state agency. The bill also provides \$5,000,000 Other Funds expenditure limitation to the Oregon Military Department for state active duty costs. A special purpose appropriation is established in the Emergency Fund in the amount of \$1,807,561 General Fund, to be allocated to the Department of State Police to prepare the Office of the State Fire Marshal to operate as a separate state agency. Lastly, \$237,161 General Fund is appropriated to the Office of the Governor to support the work of the Oregon Homeland Security Council.

## **Summary of Public Safety Subcommittee Action**

HB 2927 renames the Office of Emergency Management to the Oregon Department of Emergency Management (ODEM) and establishes ODEM as an independent state agency, effective July 1, 2022. The measure also establishes the Local Government Emergency Management Advisory Council to provide advice and recommendations to ODEM regarding ODEM's emergency preparedness and response functions. Additionally, the Oregon Homeland Security Council is transferred from the Office of Emergency Management to the Office of the Governor.

For Oregon Military Department (OMD) to implement the provisions of HB 2927, the Subcommittee recommended a General Fund appropriation of \$4,437,891 and the establishment of 13 permanent, full-time positions (13.00 FTE) in OMD. Included in this budget recommendation is the reduction of \$303,107 Other Funds expenditure limitation from Personal Services and an increase of \$303,107 Other Funds expenditure limitation in Services and Supplies.

In addition to General Fund expenses, the Subcommittee recommended an increase of \$5,000,000 Other Funds expenditure limitation in OMD's Community Support Division for use in the event of State Active Duty mobilizations. The Department currently uses Other Funds expenditure limitation available in the Office of Emergency Management for State Active Duty expenses. The measure stipulates the unexpended balances of amounts authorized to be expended by the OMD for the purposes of the Office of Emergency Management for the 2021-23 biennium are to be transferred to the ODEM beginning July 1, 2022.

House Bill 2927 also renames the Office of the State Fire Marshal to the Oregon Department of the State Fire Marshal (DSFM) and establishes the Task Force on Implementation. The bill establishes DSFM as an independent state agency effective July 1, 2023. The Task Force on Implementation is charged with making recommendations as to whether the Office of the State Fire Marshal should be made an independent state agency, and if not, in which existing state agency the office of the State Fire Marshal should be housed. The Task Force must report its findings and recommendations to an interim committee of the Legislative Assembly by February 1, 2022. The Office of the State Fire Marshal is required to provide staff support for the Task Force, which sunsets on January 2, 2023.

The measure stipulates the unexpended balances of amounts authorized to be expended by the Oregon State Police for the purposes of the State Fire Marshal for the 2023-25 biennium, are to be transferred to OSFM at the beginning of the 2023-25 biennium.

The Subcommittee recommended an appropriation of \$1,807,561 General Fund to the Emergency Board to establish a special purpose appropriation (SPA) for the Department of State Police to prepare the Office of the State Fire Marshal as a separate state agency. If the Task Force on Implementation determines that a new agency is to be established, the SPA includes funding to support the hiring of 19 positions (5.05 FTE) to assist with that transition.

HB 2927 transfers the Oregon Homeland Security Council from OEM to the Office of the Governor, adds members to and modifies the duties of the Council, and directs the Emergency Preparedness Advisory Council to advise and make policy recommendations to the Oregon Homeland Security Council regarding federal emergency support functions.

The Subcommittee recommended a General Fund appropriation of \$237,161 to the Office of the Governor and establishes one permanent full-time position (1.00 FTE) to support the Homeland Security Council and the Emergency Preparedness Advisory Council.

**DETAIL OF JOINT COMMITTEE ON WAYS AND MEANS ACTION**

Oregon Military Department, Office of the Governor  
Michelle Lisper - 971-283-6367

DESCRIPTION	GENERAL FUND	LOTTERY FUNDS	OTHER FUNDS		FEDERAL FUNDS		TOTAL ALL FUNDS	POS	FTE
			LIMITED	NONLIMITED	LIMITED	NONLIMITED			
<u>SUBCOMMITTEE ADJUSTMENTS</u>									
<b>Oregon Military Department</b>									
<b>SCR 001- Administration</b>									
Personal Services	\$ 922,232	\$ -	\$ (303,107)	\$ -	\$ -	\$ -	\$ 619,125	3	3.00
Services and Supplies	\$ 83,825	\$ -	\$ 303,107	\$ -	\$ -	\$ -	\$ 386,932		
	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -			
<b>SCR 003 - The Office of Emergency Management</b>									
Personal Services	\$ 2,064,587	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 2,064,587	10	10.00
Services and Supplies	\$ 1,367,247	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 1,367,247		
<b>SCR 004 - Community Support</b>									
Personal Services	\$ -	\$ -	\$ 5,000,000	\$ -	\$ -	\$ -	\$ 5,000,000	0	0.00
<b>TOTAL ADJUSTMENTS</b>	<b>\$ 4,437,891</b>	<b>\$ -</b>	<b>\$ 5,000,000</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 9,437,891</b>	<b>13</b>	<b>13.00</b>
<b>SUBCOMMITTEE RECOMMENDATION *</b>	<b>\$ 4,437,891</b>	<b>\$ -</b>	<b>\$ 5,000,000</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 9,437,891</b>	<b>13</b>	<b>13.00</b>
<u>SUBCOMMITTEE ADJUSTMENTS</u>									
<b>Emergency Board</b>									
Special Purpose Appropriation for for The Department of State Police	\$ 1,807,561	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 1,807,561	0	0.00
<b>SUBCOMMITTEE RECOMMENDATION</b>	<b>\$ 1,807,561</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 1,807,561</b>	<b>0</b>	<b>0.00</b>
<u>SUBCOMMITTEE ADJUSTMENTS</u>									
<b>Office of the Governor</b>									
<b>SCR 001 - General Program</b>									
Personal Services	\$ 154,157	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 154,157	1	1.00
Services and Supplies	\$ 83,004	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 83,004		
<b>TOTAL ADJUSTMENTS</b>	<b>\$ 237,161</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 237,161</b>	<b>1</b>	<b>1.00</b>
<b>SUBCOMMITTEE RECOMMENDATION *</b>	<b>\$ 237,161</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 237,161</b>	<b>1</b>	<b>1.00</b>

\*Excludes Capital Construction Expenditures

**HB 2928 B BUDGET REPORT and MEASURE SUMMARY**

**Carrier:** Rep. Noble

**Joint Committee On Ways and Means**

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**Action Date:** 06/21/21

**Action:** Do pass with amendments to the A-Eng bill. (Printed B-Eng.)

**House Vote**

**Yeas:** 11 - Bynum, Drazan, Gomberg, Leif, McLain, Nosse, Rayfield, Sanchez, Smith G, Sollman, Stark

**Senate Vote**

**Yeas:** 11 - Anderson, Frederick, Girod, Golden, Gorsek, Hansell, Knopp, Lieber, Steiner Hayward, Taylor, Thomsen

**Nays:** 1 - Johnson

**Prepared By:** Michelle Lisper, Department of Administrative Services

**Reviewed By:** Julie Neburka, Legislative Fiscal Office

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**Department of State Police**

**2021-23**

**Budget Summary**

	2019-21	2021-23	Committee Change from 2019-21	
	Legislatively Approved Budget <sup>(1)</sup>	Committee Recommendation	Leg. Approved	
			\$ Change	% Change
General Fund		\$ 605,781	\$ 605,781	100.0%
Total	\$ -	\$ 605,781	\$ 605,781	100.0%

**Position Summary**

Authorized Positions	0	1	1
Full-time Equivalent (FTE) positions	0.00	1.00	1.00

**Summary of Revenue Changes**

HB 2928 regulates and limits the use of chemical incapacitants, kinetic impact projectiles, strobe lights, and sound devices by law enforcement for the purpose of crowd control. The Subcommittee recommended \$605,781 General Fund for the Department of State Police (OSP) for agency-wide training on the new crowd control guidelines and purchase of three public announcement systems.

**Summary of Public Safety Subcommittee Action**

HB 2928 requires certain accommodations and instructions be made by law enforcement when deploying specified crowd-control devices. Further, the measure prohibits law enforcement from acting in concert with another agency or proxy law enforcement to engage in conduct barred by statute or court order and establishes that an intentional violation of this provision constitutes official misconduct in the second degree.

The bill appropriates \$605,781 General Fund to the Department of State Police for one permanent full-time Sergeant position (1.00 FTE), responsible for establishing and coordinating training on the new crowd control guidelines. The measure specifies, whenever possible, law enforcement must make announcements for the purpose of crowd control. The Subcommittee recommended \$150,000 on a one-time basis for the purchase of three public announcement systems. An additional \$65,000 was recommended on a one-time basis for a vehicle purchase.

## DETAIL OF JOINT COMMITTEE ON WAYS AND MEANS ACTION

Department of State Police  
Michelle Lisper- 971-283-6360

DESCRIPTION	GENERAL FUND	LOTTERY FUNDS	OTHER FUNDS		FEDERAL FUNDS		TOTAL ALL FUNDS	POS	FTE
			LIMITED	NONLIMITED	LIMITED	NONLIMITED			
<u>SUBCOMMITTEE ADJUSTMENTS</u>									
SCR 002-Patrol Services									
Personal Services	\$ 356,081	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 356,081	1	1.00
Services and Supplies	\$ 184,700	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 184,700		
Capital Outlay	\$ 65,000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 65,000		
<b>TOTAL SUBCOMMITTEE ADJUSTMENTS</b>	<b>\$ 605,781</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 605,781</b>	<b>1</b>	<b>1.00</b>



**HB 2930 B BUDGET REPORT and MEASURE SUMMARY**

**Carrier:** Rep. Bynum

**Joint Committee On Ways and Means**

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**Action Date:** 06/22/21

**Action:** Do pass with amendments to the A-Eng bill. (Printed B-Eng.)

**House Vote**

**Yeas:** 8 - Bynum, Gomberg, McLain, Nosse, Rayfield, Sanchez, Sollman, Stark

**Nays:** 3 - Drazan, Leif, Smith G

**Senate Vote**

**Yeas:** 8 - Anderson, Frederick, Golden, Gorsek, Hansell, Lieber, Steiner Hayward, Taylor

**Nays:** 3 - Johnson, Knopp, Thomsen

**Exc:** 1 - Girod

**Prepared By:** Michelle Lisper, Department of Administrative Services

**Reviewed By:** Julie Neburka, Legislative Fiscal Office

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**Department of State Police  
2021-23**

## **Budget Summary**

	<b>2019-21 Legislatively Approved Budget</b>	<b>2021-23 Committee Recommendation</b>	<b>Committee Change from 2019-21 Leg. Approved</b>	
			<b>\$ Change</b>	<b>% Change</b>
General Fund	<u>\$ -</u>	<u>\$ 255,773</u>	<u>\$ 255,773</u>	<u>100.0%</u>
Total	\$ -	\$ 255,773	\$ 255,773	100.0%

## **Summary of Revenue Changes**

House Bill 2930 removes the discipline matrix or discipline guide as a mandatory subject of collective bargaining for law enforcement, establishes the Commission on Statewide Law Enforcement Standards of Conduct and Discipline, and creates conditions for arbitrators. For the purpose of carrying out the provisions of the bill, \$255,773 General Fund is appropriated to the Department of State Police (OSP).

## **Summary of Capital Construction Subcommittee Action**

The Subcommittee recommended a one-time appropriation of \$255,773 General Fund, to provide training to sworn law enforcement officers on the new standards developed by the Commission on Statewide Law Enforcement Standards of Conduct and Discipline.

**DETAIL OF JOINT COMMITTEE ON WAYS AND MEANS ACTION**

Department of State Police  
Michelle Lisper - 971-283-6360

DESCRIPTION	GENERAL FUND	LOTTERY FUNDS	OTHER FUNDS		FEDERAL FUNDS		TOTAL ALL FUNDS	POS	FTE
			LIMITED	NONLIMITED	LIMITED	NONLIMITED			
<u>SUBCOMMITTEE ADJUSTMENTS</u>									
<b>SCR 007- Agency Support</b>									
Personal Services	\$ 255,773	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 255,773	0	0.00
<b>TOTAL SUBCOMMITTEE ADJUSTMENTS</b>	<b>\$ 255,773</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 255,773</b>	<b>0</b>	<b>0.00</b>

**HB 5006 A BUDGET REPORT and MEASURE SUMMARY**

**Carrier:** Rep. Rayfield

**Joint Committee On Ways and Means**

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**Action Date:** 06/24/21

**Action:** Do pass with amendments. (Printed A-Eng.)

**House Vote**

**Yeas:** 10 - Bynum, Drazan, Gomberg, Leif, McLain, Nosse, Rayfield, Sanchez, Sollman, Stark

**Exc:** 1 - Smith G

**Senate Vote**

**Yeas:** 12 - Anderson, Frederick, Girod, Golden, Gorsek, Hansell, Johnson, Knopp, Lieber, Steiner Hayward, Taylor, Thomsen

**Prepared By:** Julie Neburka, Legislative Fiscal Office

**Reviewed By:** Laurie Byerly and Theresa McHugh, Legislative Fiscal Office

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**Emergency Board**

**2021-23**

**Various Agencies**

**2021-23**

**Public Defense Services Commission**

**2019-21**

## Budget Summary\*

	2019-21 Legislatively Approved Budget	2021-23 Committee Recommendation	Committee Change
<b><u>Emergency Board</u></b>			
General Fund - General Purpose		\$ 50,000,000	\$ 50,000,000
General Fund - Special Purpose Appropriations			
State Employee Compensation		\$ 198,000,000	\$ 198,000,000
Non-State Employee Compensation		\$ 20,000,000	\$ 20,000,000
Family Treatment Court Programs		\$ 10,000,000	\$ 10,000,000
Pre-trial Release (SB 48)		\$ 2,500,000	\$ 2,500,000
State Response to Natural Disasters		\$ 150,000,000	\$ 150,000,000
Transforming Justice Initiative		\$ 10,000,000	\$ 10,000,000
Department of Early Learning and Care		\$ 5,130,265	\$ 5,130,265
Dental Rates		\$ 19,000,000	\$ 19,000,000
OHA/DHS Caseload Costs		\$ 55,000,000	\$ 55,000,000
Essential Workforce Health Care Program		\$ 30,000,000	\$ 30,000,000
<b><u>ADMINISTRATION PROGRAM AREA</u></b>			
<b><u>Department of Administrative Services</u></b>			
General Fund		\$ 76,777,383	\$ 76,777,383
General Fund Debt Service		\$ (600,308)	\$ (600,308)
Lottery Funds Debt Service		\$ (4,316,625)	\$ (4,316,625)
Other Funds		\$ 180,076,580	\$ 180,076,580
Other Funds Debt Service		\$ 5,189,112	\$ 5,189,112
Federal Funds		\$ 2,378,604,743	\$ 2,378,604,743
<b><u>Advocacy Commissions Office</u></b>			
General Fund		\$ 212,032	\$ 212,032
<b><u>Employment Relations Board</u></b>			
General Fund		\$ (77,831)	\$ (77,831)
Other Funds		\$ (51,846)	\$ (51,846)
<b><u>Oregon Government Ethics Commission</u></b>			
Other Funds		\$ (92,004)	\$ (92,004)
<b><u>Office of the Governor</u></b>			
General Fund		\$ (476,684)	\$ (476,684)
Lottery Funds		\$ (72,430)	\$ (72,430)
Other Funds		\$ (92,512)	\$ (92,512)

## Budget Summary\*

	<u>2019-21 Legislatively Approved Budget</u>	<u>2021-23 Committee Recommendation</u>	<u>Committee Change</u>
<b><u>Oregon Liquor Control Commission</u></b>			
Other Funds		\$ 27,639,318	\$ 27,639,318
Other Funds Debt Service		\$ 7,547,093	\$ 7,547,093
<b><u>Public Employees Retirement System</u></b>			
Lottery Funds		\$ 16,792,238	\$ 16,792,238
Other Funds		\$ (3,588,447)	\$ (3,588,447)
<b><u>Racing Commission</u></b>			
Other Funds		\$ (40,195)	\$ (40,195)
<b><u>Department of Revenue</u></b>			
General Fund		\$ 22,566,168	\$ 22,566,168
General Fund Debt Service		\$ (116,730)	\$ (116,730)
Other Funds		\$ 3,758,567	\$ 3,758,567
Other Funds Debt Service		\$ 790,000	\$ 790,000
<b><u>Secretary of State</u></b>			
General Fund		\$ 2,283,134	\$ 2,283,134
Other Funds		\$ (552,483)	\$ (552,483)
Federal Funds		\$ (6,971)	\$ (6,971)
<b><u>State Library</u></b>			
General Fund		\$ (70,697)	\$ (70,697)
Other Funds		\$ (216,816)	\$ (216,816)
Federal Funds		\$ 2,924,165	\$ 2,924,165
<b><u>State Treasurer</u></b>			
Other Funds		\$ (621,233)	\$ (621,233)
<b><u>CONSUMER AND BUSINESS SERVICES PROGRAM AREA</u></b>			
<b><u>State Board of Accountancy</u></b>			
Other Funds		\$ (88,512)	\$ (88,512)
<b><u>Chiropractic Examiners Board</u></b>			
Other Funds		\$ (79,230)	\$ (79,230)

## Budget Summary\*

	2019-21 Legislatively Approved Budget	2021-23 Committee Recommendation	Committee Change
<b><u>Consumer and Business Services</u></b>			
General Fund		\$ 10,678,004	\$ 10,678,004
Other Funds		\$ (16,962,773)	\$ (16,962,773)
Federal Funds		\$ (1,813,776)	\$ (1,813,776)
<b><u>Construction Contractors Board</u></b>			
Other Funds		\$ (186,817)	\$ (186,817)
<b><u>Board of Dentistry</u></b>			
Other Funds		\$ (23,039)	\$ (23,039)
<b><u>Health Related Licensing Boards</u></b>			
State Mortuary and Cemetery Board			
Other Funds		\$ (54,881)	\$ (54,881)
Board of Naturopathic Medicine			
Other Funds		\$ (31,572)	\$ (31,572)
Occupational Therapy Licensing Board			
Other Funds		\$ (14,198)	\$ (14,198)
Board of Medical Imaging			
Other Funds		\$ (30,351)	\$ (30,351)
State Board of Examiners for Speech-Language Pathology and Audiology			
Other Funds		\$ (26,641)	\$ (26,641)
Oregon State Veterinary Medical Examining Board			
Other Funds		\$ (31,762)	\$ (31,762)
<b><u>Bureau of Labor and Industries</u></b>			
General Fund		\$ 2,150,530	\$ 2,150,530
Other Funds		\$ (142,287)	\$ (142,287)
Federal Funds		\$ (14,786)	\$ (14,786)
<b><u>Licensed Social Workers, Board of</u></b>			
Other Funds		\$ (86,002)	\$ (86,002)
<b><u>Oregon Medical Board</u></b>			
Other Funds		\$ (84,573)	\$ (84,573)

**Budget Summary\***

	<u>2019-21 Legislatively Approved Budget</u>	<u>2021-23 Committee Recommendation</u>	<u>Committee Change</u>
<b><u>Mental Health Regulatory Agency</u></b>			
General Fund		\$ 300,000	\$ 300,000
Other Funds		\$ (145,731)	\$ (145,731)
<b><u>Board of Nursing</u></b>			
Other Funds		\$ (123,016)	\$ (123,016)
<b><u>Board of Pharmacy</u></b>			
Other Funds		\$ (65,797)	\$ (65,797)
<b><u>Public Utility Commission</u></b>			
Other Funds		\$ (383,286)	\$ (383,286)
<b><u>Real Estate Agency</u></b>			
Other Funds		\$ (66,208)	\$ (66,208)
<b><u>Board of Tax Practitioners</u></b>			
Other Funds		\$ (69,152)	\$ (69,152)
<b><u>ECONOMIC AND COMMUNITY DEVELOPMENT PROGRAM AREA</u></b>			
<b><u>Oregon Business Development Department</u></b>			
General Fund		\$ 84,378,762	\$ 84,378,762
General Fund Debt Service		\$ 3,868,512	\$ 3,868,512
Lottery Funds		\$ 13,325,399	\$ 13,325,399
Lottery Funds Debt Service		\$ (3,989,798)	\$ (3,989,798)
Other Funds		\$ 674,834,190	\$ 674,834,190
Other Funds Debt Service		\$ 5,800	\$ 5,800
Federal Funds		\$ (1,674)	\$ (1,674)
<b><u>Employment Department</u></b>			
General Fund		\$ (3,991)	\$ (3,991)
Other Funds		\$ (425,511)	\$ (425,511)
Federal Funds		\$ (1,444,089)	\$ (1,444,089)



## Budget Summary\*

	2019-21 Legislatively Approved Budget	2021-23 Committee Recommendation	Committee Change
<b><u>Housing and Community Services Department</u></b>			
General Fund		\$ 272,205,984	\$ 272,205,984
General Fund Debt Service		\$ 19,081,360	\$ 19,081,360
Lottery Funds Debt Service		\$ (5,045,010)	\$ (5,045,010)
Other Funds		\$ 60,014,215	\$ 60,014,215
Other Funds Debt Service		\$ 33,240	\$ 33,240
Other Funds Nonlimited		\$ (7,709)	\$ (7,709)
Federal Funds		\$ (79,166)	\$ (79,166)
<b><u>Department of Veterans' Affairs</u></b>			
General Fund		\$ (80,837)	\$ (80,837)
Lottery Funds		\$ 123,226	\$ 123,226
Lottery Funds Debt Service		\$ (190,826)	\$ (190,826)
Other Funds		\$ 5,874,346	\$ 5,874,346
<b><u>EDUCATION PROGRAM AREA</u></b>			
<b><u>State School Fund</u></b>			
General Fund		\$ (27,849,006)	\$ (27,849,006)
Lottery Funds		\$ 219,059,876	\$ 219,059,876
Other Funds		\$ 8,789,130	\$ 8,789,130
<b><u>Department of Education</u></b>			
General Fund		\$ 519,250	\$ 519,250
General Fund Debt Service		\$ (1,290,011)	\$ (1,290,011)
Other Funds		\$ 143,325,528	\$ 143,325,528
Other Funds Debt Service		\$ 330	\$ 330
Federal Funds		\$ (367,455)	\$ (367,455)
<b><u>Higher Education Coordinating Commission</u></b>			
General Fund		\$ 15,011,738	\$ 15,011,738
General Fund Debt Service		\$ (8,497,705)	\$ (8,497,705)
Lottery Funds Debt Service		\$ (6,200,051)	\$ (6,200,051)
Other Funds		\$ 39,003,000	\$ 39,003,000
Other Funds Debt Service		\$ 2,470,060	\$ 2,470,060
Other Funds Debt Service Nonlimited		\$ (10,321,594)	\$ (10,321,594)
Federal Funds		\$ (59,193)	\$ (59,193)

## Budget Summary\*

### Teacher Standards and Practices Commission

	<u>2019-21 Legislatively Approved Budget</u>	<u>2021-23 Committee Recommendation</u>	<u>Committee Change</u>
Other Funds		\$ (242,855)	\$ (242,855)

### HUMAN SERVICES PROGRAM AREA

#### Commission for the Blind

General Fund		\$ (33,596)	\$ (33,596)
Other Funds		\$ (11,532)	\$ (11,532)
Federal Funds		\$ (162,344)	\$ (162,344)

#### Oregon Health Authority

General Fund		\$ (307,082,178)	\$ (307,082,178)
General Fund Debt Service		\$ 958,626	\$ 958,626
Lottery Funds		\$ (97)	\$ (97)
Other Funds		\$ 335,156,675	\$ 335,156,675
Federal Funds		\$ (3,708,714)	\$ (3,708,714)

#### Department of Human Services

General Fund		\$ 65,114,746	\$ 65,114,746
General Fund Debt Service		\$ (1,406,985)	\$ (1,406,985)
Other Funds		\$ 108,991,448	\$ 108,991,448
Other Funds Debt Service		\$ 1,112,515	\$ 1,112,515
Federal Funds		\$ (8,501,838)	\$ (8,501,838)

#### Long Term Care Ombudsman

General Fund		\$ (54,604)	\$ (54,604)
Other Funds		\$ (5,302)	\$ (5,302)

#### Psychiatric Security Review Board

General Fund		\$ (53,732)	\$ (53,732)
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### JUDICIAL BRANCH

#### Judicial Department

General Fund		\$ 403,673	\$ 403,673
General Fund Debt Service		\$ (5,111,991)	\$ (5,111,991)
Other Funds		\$ 105,627,958	\$ 105,627,958

## Budget Summary\*

	<u>2019-21 Legislatively Approved Budget</u>	<u>2021-23 Committee Recommendation</u>	<u>Committee Change</u>
<b><u>Commission on Judicial Fitness and Disability</u></b>			
General Fund		\$ (16,357)	\$ (16,357)
<b><u>Public Defense Services Commission</u></b>			
General Fund		\$ (190,407)	\$ (190,407)
<b><u>LEGISLATIVE BRANCH</u></b>			
<b><u>Legislative Administration Committee</u></b>			
General Fund		\$ (204,324)	\$ (204,324)
General Fund Debt Service		\$ (2,644,700)	\$ (2,644,700)
Other Funds		\$ 4,310,000	\$ 4,310,000
Other Funds Debt Service		\$ 627,060	\$ 627,060
<b><u>Legislative Assembly</u></b>			
General Fund		\$ (262,700)	\$ (262,700)
<b><u>Legislative Commission on Indian Services</u></b>			
General Fund		\$ (28,888)	\$ (28,888)
<b><u>Legislative Counsel</u></b>			
General Fund		\$ (130,806)	\$ (130,806)
<b><u>Legislative Fiscal Office</u></b>			
General Fund		\$ (7,562)	\$ (7,562)
<b><u>Legislative Policy and Research Office</u></b>			
General Fund		\$ (35,929)	\$ (35,929)
<b><u>Legislative Revenue Office</u></b>			
General Fund		\$ (5,636)	\$ (5,636)
<b><u>NATURAL RESOURCES PROGRAM AREA</u></b>			
<b><u>Columbia River Gorge Commission</u></b>			
General Fund		\$ (1,251)	\$ (1,251)

## Budget Summary\*

	<u>2019-21 Legislatively Approved Budget</u>	<u>2021-23 Committee Recommendation</u>	<u>Committee Change</u>
<b><u>State Department of Agriculture</u></b>			
General Fund		\$ 2,302,669	\$ 2,302,669
Lottery Funds		\$ (75,930)	\$ (75,930)
Other Funds		\$ (577,029)	\$ (577,029)
Federal Funds		\$ (59,359)	\$ (59,359)
<b><u>State Department of Energy</u></b>			
General Fund		\$ 20,831,296	\$ 20,831,296
General Fund Debt Service		\$ 3,500,000	\$ 3,500,000
Other Funds		\$ 9,978,775	\$ 9,978,775
Federal Funds		\$ (561)	\$ (561)
<b><u>Department of Environmental Quality</u></b>			
General Fund		\$ 4,293,013	\$ 4,293,013
General Fund Debt Service		\$ 395,030	\$ 395,030
Lottery Funds		\$ (6,402)	\$ (6,402)
Other Funds		\$ 16,887,363	\$ 16,887,363
Federal Funds		\$ (294,828)	\$ (294,828)
<b><u>State Department of Fish and Wildlife</u></b>			
General Fund		\$ 1,288,101	\$ 1,288,101
General Fund Debt Service		\$ 446,579	\$ 446,579
Lottery Funds		\$ (88)	\$ (88)
Other Funds		\$ 3,414,021	\$ 3,414,021
Federal Funds		\$ (1,964)	\$ (1,964)
<b><u>Department of Forestry</u></b>			
General Fund		\$ 5,468,079	\$ 5,468,079
General Fund Debt Service		\$ 363,596	\$ 363,596
Other Funds		\$ (1,242,680)	\$ (1,242,680)
Other Funds Debt Service		\$ 404,124	\$ 404,124
Other Funds Capital Improvements		\$ 4,820,772	\$ 4,820,772
Federal Funds		\$ (76,252)	\$ (76,252)

## Budget Summary\*

	<u>2019-21 Legislatively Approved Budget</u>	<u>2021-23 Committee Recommendation</u>	<u>Committee Change</u>
<b><u>Department of Geology and Mineral Industries</u></b>			
General Fund		\$ 352,558	\$ 352,558
Other Funds		\$ (180,158)	\$ (180,158)
Federal Funds		\$ (155,246)	\$ (155,246)
<b><u>Department of Land Conservation and Development</u></b>			
General Fund		\$ 3,341,733	\$ 3,341,733
Other Funds		\$ (2,493)	\$ (2,493)
Federal Funds		\$ (48,580)	\$ (48,580)
<b><u>Land Use Board of Appeals</u></b>			
General Fund		\$ 70,325	\$ 70,325
<b><u>Oregon Marine Board</u></b>			
Other Funds		\$ (90,157)	\$ (90,157)
<b><u>Department of Parks and Recreation</u></b>			
General Fund		\$ 316,480	\$ 316,480
General Fund Debt Service		\$ 2,232,560	\$ 2,232,560
Lottery Funds		\$ (1,056,882)	\$ (1,056,882)
Lottery Funds Debt Service		\$ (449,808)	\$ (449,808)
Other Funds		\$ 9,854,807	\$ 9,854,807
<b><u>Department of State Lands</u></b>			
Other Funds		\$ 278,542	\$ 278,542
<b><u>Water Resources Department</u></b>			
General Fund		\$ 4,708,023	\$ 4,708,023
Lottery Funds Debt Service		\$ (3,970,980)	\$ (3,970,980)
Other Funds		\$ 92,085,895	\$ 92,085,895
<b><u>Watershed Enhancement Board</u></b>			
General Fund		\$ 20,420,000	\$ 20,420,000
Lottery Funds		\$ (81,602)	\$ (81,602)

## Budget Summary\*

	2019-21 Legislatively Approved Budget	2021-23 Committee Recommendation	Committee Change
<b><u>PUBLIC SAFETY PROGRAM AREA</u></b>			
<b><u>Oregon Criminal Justice Commission</u></b>			
General Fund		\$ 15,260,442	\$ 15,260,442
Other Funds		\$ 9,999,469	\$ 9,999,469
Federal Funds		\$ (133)	\$ (133)
<b><u>Department of Corrections</u></b>			
General Fund		\$ (850,587,024)	\$ (850,587,024)
General Fund Debt Service		\$ 9,041,899	\$ 9,041,899
Other Funds		\$ 871,784,778	\$ 871,784,778
Other Funds Debt Service		\$ 700,870	\$ 700,870
<b><u>District Attorneys and their Deputies</u></b>			
General Fund		\$ (223,358)	\$ (223,358)
<b><u>Department of Justice</u></b>			
General Fund		\$ 14,032,460	\$ 14,032,460
Other Funds		\$ (1,703,572)	\$ (1,703,572)
Federal Funds		\$ (887,121)	\$ (887,121)
<b><u>Oregon Military Department</u></b>			
General Fund		\$ 25,697,037	\$ 25,697,037
General Fund Debt Service		\$ 1,881,079	\$ 1,881,079
Other Funds		\$ 10,338,860	\$ 10,338,860
Federal Funds		\$ 5,993,566	\$ 5,993,566
<b><u>Oregon Board of Parole and Post-Prison Supervision</u></b>			
General Fund		\$ (133,859)	\$ (133,859)
<b><u>Oregon State Police</u></b>			
General Fund		\$ 192,065	\$ 192,065
General Fund Debt Service		\$ 2,674,818	\$ 2,674,818
Other Funds		\$ 3,255,070	\$ 3,255,070
Federal Funds		\$ (40,739)	\$ (40,739)

## Budget Summary\*

	2019-21 Legislatively Approved Budget	2021-23 Committee Recommendation	Committee Change
<b><u>Department of Public Safety Standards and Training</u></b>			
Other Funds		\$ 790,679	\$ 790,679
Federal Funds		\$ (2,797)	\$ (2,797)
<b><u>Oregon Youth Authority</u></b>			
General Fund		\$ (99,885,993)	\$ (99,885,993)
General Fund Debt Service		\$ (326,464)	\$ (326,464)
Other Funds		\$ 114,476,380	\$ 114,476,380
Other Funds Debt Service		\$ 1,137,980	\$ 1,137,980
Federal Funds		\$ (129,816)	\$ (129,816)
<b><u>TRANSPORTATION PROGRAM AREA</u></b>			
<b><u>Department of Aviation</u></b>			
Other Funds		\$ 4,571,958	\$ 4,571,958
<b><u>Department of Transportation</u></b>			
General Fund		\$ 3,250,000	\$ 3,250,000
General Fund Debt Service		\$ (547)	\$ (547)
Lottery Funds		\$ 650,000	\$ 650,000
Lottery Funds Debt Service		\$ (3,210,960)	\$ (3,210,960)
Other Funds		\$ 119,733,929	\$ 119,733,929
Other Funds Debt Service		\$ 550	\$ 550
Federal Funds		\$ (73,077)	\$ (73,077)
<b>2021-23 Budget Summary</b>			
<b>General Fund Total</b>	\$ -	\$ (63,441,300)	\$ (63,441,300)
<b>General Fund Debt Service Total</b>	\$ -	\$ 24,448,618	\$ 24,448,618
<b>Lottery Funds Total</b>	\$ -	\$ 248,657,308	\$ 248,657,308
<b>Lottery Funds Debt Service Total</b>	\$ -	\$ (27,374,058)	\$ (27,374,058)
<b>Other Funds Total</b>	\$ -	\$ 2,936,418,828	\$ 2,936,418,828
<b>Other Funds Debt Service Total</b>	\$ -	\$ 20,018,734	\$ 20,018,734
<b>Other Funds Debt Service Nonlimited Total</b>	\$ -	\$ (10,321,594)	\$ (10,321,594)
<b>Other Funds Capital Improvements</b>	\$ -	\$ 4,820,772	\$ 4,820,772
<b>Other Funds Nonlimited</b>	\$ -	\$ (7,709)	\$ (7,709)
<b>Federal Funds Total</b>	\$ -	\$ 2,369,591,995	\$ 2,369,591,995

## Budget Summary\*

### Public Defense Services Commission

Other Funds

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2019-21 Legislatively  
Approved Budget

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2019-21 Committee  
Recommendation

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Committee Change

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	\$	92,721	\$	92,721
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<b>Position Summary</b>	<b>2019-21 Legislatively Approved Budget</b>	<b>2021-23 Committee Recommendation</b>	<b>Committee Change</b>
<b>ADMINISTRATION PROGRAM AREA</b>			
<b><u>Department of Administrative Services</u></b>			
Authorized Positions		6	6
Full-time Equivalent (FTE) positions		6.00	6.00
<b><u>Oregon Advocacy Commissions</u></b>			
Authorized Positions		1	1
Full-time Equivalent (FTE) positions		1.00	1.00
<b><u>Oregon State Library</u></b>			
Authorized Positions		1	1
Full-time Equivalent (FTE) positions		1.00	1.00
<b><u>Department of Revenue</u></b>			
Authorized Positions		12	12
Full-time Equivalent (FTE) positions		7.76	7.76
<b><u>Secretary of State</u></b>			
Authorized Positions		1	1
Full-time Equivalent (FTE) positions		1.00	1.00
<b>CONSUMER AND BUSINESS SERVICES PROGRAM AREA</b>			
<b><u>Consumer and Business Services</u></b>			
Authorized Positions		(20)	(20)
Full-time Equivalent (FTE) positions		(21.00)	(21.00)
<b><u>Bureau of Labor and Industries</u></b>			
Authorized Positions		8	8.00
Full-time Equivalent (FTE) positions		8.00	8.00

<b>Position Summary</b>	<b>2019-21 Legislatively Approved Budget</b>	<b>2021-23 Committee Recommendation</b>	<b>Committee Change</b>
<b>ECONOMIC AND COMMUNITY DEVELOPMENT PROGRAM AREA</b>			
<b><u>Oregon Business Development Department</u></b>			
Authorized Positions		15	15
Full-time Equivalent (FTE) positions		15.00	15.00
<b><u>Employment Department</u></b>			
Authorized Positions		10	10
Full-time Equivalent (FTE) positions		5.00	5.00
<b><u>Housing and Community Services</u></b>			
Authorized Positions		15	15
Full-time Equivalent (FTE) positions		13.77	13.77
<b>EDUCATION PROGRAM AREA</b>			
<b><u>Department of Education</u></b>			
Authorized Positions		14	14
Full-time Equivalent (FTE) positions		12.92	12.92
<b>HUMAN SERVICES PROGRAM AREA</b>			
<b><u>Oregon Health Authority</u></b>			
Authorized Positions		23	23
Full-time Equivalent (FTE) positions		21.84	21.84
<b><u>Department of Human Services</u></b>			
Authorized Positions		9	9
Full-time Equivalent (FTE) positions		7.50	7.50
<b>JUDICIAL BRANCH</b>			
<b><u>Judicial Department</u></b>			
Authorized Positions		16	16
Full-time Equivalent (FTE) positions		13.08	13.08

<b>Position Summary</b>	<b>2019-21 Legislatively Approved Budget</b>	<b>2021-23 Committee Recommendation</b>	<b>Committee Change</b>
<b>NATURAL RESOURCES PROGRAM AREA</b>			
<b><u>State Department of Agriculture</u></b>			
Authorized Positions		3	3
Full-time Equivalent (FTE) positions		2.92	2.92
<b><u>Department of Energy</u></b>			
Authorized Positions		6	6
Full-time Equivalent (FTE) positions		5.50	5.50
<b><u>Department of Environmental Quality</u></b>			
Authorized Positions		2	2
Full-time Equivalent (FTE) positions		2.00	2.00
<b><u>Department of Fish and Wildlife</u></b>			
Authorized Positions		3	3
Full-time Equivalent (FTE) positions		3.00	3.00
<b><u>Department of Forestry</u></b>			
Authorized Positions		6	6
Full-time Equivalent (FTE) positions		5.25	5.25
<b><u>Department of Land Conservation and Development</u></b>			
Authorized Positions		2	2
Full-time Equivalent (FTE) positions		2.00	2.00
<b><u>Department of Parks and Recreation</u></b>			
Authorized Positions		1	1
Full-time Equivalent (FTE) positions		0.88	0.88
<b><u>Water Resources Department</u></b>			
Authorized Positions		3	3
Full-time Equivalent (FTE) positions		3.00	3.00

## Position Summary

### Watershed Enhancement Board

	2019-21 Legislatively Approved Budget	2021-23 Committee Recommendation	Committee Change
Authorized Positions		3	3
Full-time Equivalent (FTE) positions		3.00	3.00

### **PUBLIC SAFETY PROGRAM AREA**

#### Department of Justice

Authorized Positions		8	8
Full-time Equivalent (FTE) positions		7.01	7.01

#### Department of Corrections

Authorized Positions		1	1
Full-time Equivalent (FTE) positions		1.00	1.00

#### Criminal Justice Commission

Authorized Positions		1	1
Full-time Equivalent (FTE) positions		1.00	1.00

### **TRANSPORTATION PROGRAM AREA**

#### Department of Transportation

Authorized Positions		2	2
Full-time Equivalent (FTE) positions		0.50	0.50

## **Summary of Revenue Changes**

The General Fund appropriations made in the bill are within resources available as projected in the May 2021 economic and revenue forecast by the Department of Administrative Services (DAS), Office of Economic Analysis, plus other actions to adjust state agency expenditures. Federal Funds revenues include American Rescue Plan Act (ARPA) Coronavirus State Fiscal Recovery and Capital Projects Funds allocations of \$2.6 billion and \$155.2 million, respectively, as well as other direct ongoing federal funding streams and allocations for specific purposes, some of which are also related to the effects of the pandemic.

## **Summary of Capital Construction Subcommittee Action**

HB 5006 appropriates General Fund to the Emergency Board for general purpose and targeted special purpose appropriations and makes other adjustments to agency budgets and position authority as described in the subsequent narrative.

### **Emergency Board**

The Emergency Board allocates General Fund from the Emergency Fund, along with providing Lottery Funds, Other Funds, and Federal Funds expenditure limitation to state agencies for unanticipated needs in approved agency budgets when the Legislature is not in session. The Subcommittee appropriated \$50 million General Fund to the Emergency Board for general purposes.

The Subcommittee established a reservation within the general purpose Emergency Fund of \$650,000 for the Secretary of State for potential voter's pamphlet costs in excess of funding provided in the agency's adopted budget. The Secretary of State may request allocation of the reservation from the Emergency Board if the actual costs of producing the voter's pamphlet are in excess of funding provided in the agency's 2021-23 legislatively adopted budget.

HB 5006 makes ten special purpose appropriations for the Emergency Board, totaling \$499.6 million General Fund. Agencies must make a request to the Emergency Board to access these funds. The ten special purpose appropriations are:

- \$198 million General Fund for state employee compensation changes.
- \$20 million General Fund for allocation to state agencies for compensation changes driven by collective bargaining for workers who are not state employees.
- \$2.5 million General Fund for allocation to the Oregon Judicial Department for the implementation of pretrial release modifications authorized under SB 48 (2021).
- \$150 million General Fund for allocation for the state's natural disaster prevention, preparedness, response, and recovery activities.

- \$10 million General Fund for allocation to the Criminal Justice Commission to support a Transforming Justice Initiative to advance promising practices for reshaping Oregon’s public safety system.
- \$5,130,265 General Fund for allocation to the Department of Education and the proposed Department of Early Learning and Care for the establishment of a new agency.
- \$19 million General Fund for allocation to the Oregon Health Authority for dental rates for medical assistance programs.
- \$55 million for allocation to the Oregon Health Authority or the Department of Human Services for caseload costs or other budget challenges that the agencies are unable to mitigate.
- \$30 million General Fund for allocation to the Oregon Health Authority for the Oregon Essential Workforce Health Care Program established by SB 800 (2021).
- \$10 million General Fund for allocation to state agencies for family treatment court programs.

Regarding family treatment courts, while related legislation was not passed during the 2021 legislative session, the Legislature would still like to see the development of a statewide coordinated program. In addition to approving the special purpose appropriation, the Subcommittee recommended the following budget note:

**BUDGET NOTE**

On or before February 1, 2022, the Oregon Judicial Department, Public Defense Services Commission, Department of Justice, Department of Human Services, Criminal Justice Commission, and the Housing and Community Services Department are requested to report jointly to the Legislature on the criteria and need for the establishment of a statewide Family Treatment Court program, and possible alternative programs to achieve the objectives of a Family Treatment Court Program. The report is to be submitted to the House and Senate Committees on Judiciary and the Joint Committee on Ways and Means.

The report is to include the following:

- (1) A proposed statewide, integrated structure and organizational principles for a Family Treatment Court program based on national best practices adapted for Oregon, including:
  - a. a delineation of the eligibility and exclusion criteria indicating which families can be served safely and effectively in the Family Treatment Court ensuring equity and inclusion;
  - b. a proposed method to encourage voluntary participation by families balanced with necessary monitoring of participant progress and compliance with the program; and
  - c. the array of services, treatment, programs, and providers necessary to address the complex challenges affecting families. Such services might include but are not limited to interdisciplinary legal representation teams, and behavioral and mental health, substance abuse, domestic violence, housing, parenting, educational, and medical services.

- (2) A least-cost implementation model based on existing legislative funding for:
  - a. Family Treatment programs in circuit courts;
  - b. Child advocacy legal representation provided by the Department of Justice to the Department of Human Services;
  - c. Public defense for both juvenile representation as well as the Parent Child Representation Program;
  - d. The provision of services to families in child welfare cases by the Department of Human Services;
  - e. Behavioral, mental health, and substance use disorder treatment; and
  - f. Transitional and permanent housing services.
- (3) Identification of three least-cost implementation counties that could serve as pilot locations for a Family Treatment Court Program, including a cost estimate for the aforementioned types of services in the pilot counties.
- (4) An evidence-based method for monitoring progress and outcomes, and an evaluation of the program.

Receipt of the report is a precondition for the release of the special purpose appropriation established by HB 5006 for the expansion of Family Treatment Courts.

If these special purpose appropriations are not allocated by the Emergency Board before December 1, 2022, any remaining funds become available to the Emergency Board for general purposes.

### **Adjustments to Approved 2021-23 Agency Budgets**

#### **STATEWIDE ADJUSTMENTS**

Statewide adjustments reflect budget changes in multiple agencies based on reductions in Department of Administrative Services' assessments and charges for services and Attorney General rates. Statewide adjustments also reflect net reductions to debt service realized through interest rate savings on bond sales, refundings, unissued lottery bonds, and Other Funds balances and interest earnings that can be applied to debt service. Total savings are \$98.2 million General Fund, \$47.4 million Lottery Funds, \$43.4 million Other Funds, and \$18.5 million Federal Funds.

Specific reductions include \$115.8 million total funds from lower Department of Administrative Services' assessments and service rates; \$14.2 million total funds from lower Attorney General rates; and \$77.5 million total funds from debt service interest rate savings and refunding of outstanding bonds.

Section 299 of the budget bill reflects the changes, as described above, for each agency. These adjustments are included in the table at the beginning of the budget report but are not addressed in the individual agency narratives. Additionally, new Other Funds debt service expenditure limitations for multiple agencies are established to accommodate the use of fund balances for debt repayment.

## **ADMINISTRATION**

### **Department of Administrative Services**

The Subcommittee approved \$2,779,673 General Fund to supplement the funding for the Court Appointed Special Advocate (CASA) Volunteer Program, and \$250,000 General Fund for the Department of Administrative Services to contract with a nongovernmental statewide coordinating entity to oversee the CASA Volunteer Program and its services. A one-time \$1.5 million General Fund increase to the on-going operating subsidy for the Oregon Historical Society was also approved.

The Subcommittee approved \$7,884,472 in additional Other Funds Debt Service to support repayment of Article XI-Q General Obligation bond proceeds approved in SB 5505(2021) that will be issued before the end of the biennium to support DAS projects, and an Other Funds expenditure limitation increase of \$1.8 million was included for the cost of issuance of the bonds. The Subcommittee also approved \$4,615,761 in additional Lottery Funds Debt Service to support repayment of lottery bonds that will be issued before the end of the biennium.

The Subcommittee also approved, on a one-time basis, \$3,765,271 General Fund and 6 positions (6.00 FTE) for a study to determine if inequities exist in public procurement and contracting that adversely affect businesses owned by minority, women, and/or service disabled veterans by looking at state contract data. A disparity study provides a factual, data-driven foundation that state enterprises can use to help improve procurement processes to achieve fair and equitable outcomes. The six limited duration positions being added are at the PEM-E level as the project manager, an Operations and Policy Analyst 4, an Operations and Policy Analyst 2, and three Research Analyst 4s.

The Subcommittee approved an increase of \$6,394,311 Other Funds expenditure limitation for special payments associated with the disbursement of proceeds from Lottery Bonds issued in previous biennia that have yet to be fully disbursed to grantees.

The Subcommittee approved various one-time General Fund appropriations to the Department of Administrative Services to make grants for the following purposes:

- \$2,500,000 for disbursement to Fair Housing Council of Oregon for a collaborative housing partnership
- \$1,000,000 for disbursement to Oregon Law Center for legal help related to housing issues
- \$1,500,000 for disbursement to Mid-Columbia Community Action Center for a navigation center
- \$500,000 for disbursement to Special Olympics Oregon for sports training and athletic competition



- \$250,000 for disbursement to Friends of Tryon Creek State Park for park improvements
- \$2,302,052 for disbursement to Multnomah County School District #7 for the Reynolds High School Health Center
- \$1,785,000 for disbursement to Umatilla County Jail for the Expansion/Mental Health Facility
- \$280,000 for disbursement to City of Spray for an EMS Complex
- \$630,000 for disbursement to Illinois Valley Wellness Resources for the Illinois Valley Shelter and Resource Center
- \$250,000 for disbursement to Council on Aging of Central Oregon for the Central Oregon Senior Services Center Renovation
- \$1,885,178 for disbursement to City of Depoe Bay for Restoration of Pilings and Docks
- \$1,000,000 for disbursement to City of John Day for the Ne Kam Wah Chung Interpretive Center
- \$1,546,000 for disbursement to Harney County for Communication Upgrades
- \$650,000 for disbursement to Grant County for Public Safety Network
- \$200,000 for disbursement to Project DOVE for Transitional Units Updates
- \$1,900,000 for disbursement to Sheridan School District for CTEC West
- \$500,000 for disbursement to High Desert Rangeland Fire Protection Association for Lake County Wildland Fire Needs
- \$150,000 for disbursement to Bowman Museum for an Exhibits Center
- \$600,000 for disbursement to Creating Housing Coalition for Hub City Village
- \$400,000 for disbursement to Vietnam War Memorial Fund for a Vietnam War Memorial on the Oregon State Capitol Grounds
- \$750,000 for disbursement to City of Mosier for the Mosier Center
- \$520,000 for disbursement to Oregon Humane Society for the New Road Ahead Animal Crimes Forensic Center
- \$1,800,000 for disbursement to McKenzie Valley Wellness for McKenzie Valley Health Clinic Replacement
- \$1,600,000 for disbursement to Bend-Redmond Habitat for Humanity for the Quince Town Home Project
- \$500,000 for disbursement to City of Turner for Ball Brothers Seismic Upgrade
- \$700,000 for disbursement to The Trust for Public Land for the Butte Falls Community Forest Project
- \$1,400,000 for disbursement to Blue River Community Library for the Rebuild Project
- \$903,520 for disbursement to McKenzie Fire & Rescue for a Disaster Relief Logistics Center
- \$200,000 for disbursement to United Way of Jackson County for Affordable Home Ownership
- \$1,400,000 for disbursement to Community Counseling Solutions for the Boardman Regional PRTS/Sub Acute Children's Facility
- \$1,800,000 for disbursement to City of Umatilla for a Minority Entrepreneurial Development & Business Center
- \$385,000 for disbursement to Molalla Rural Fire Protection District for Wildland Fire Protection
- \$2,100,000 for distribution to the Upper McKenzie Rural Fire Protection District for facility and equipment replacement
- \$800,000 for disbursement to the City of Salem for a Turnkey Project
- \$816,000 for disbursement to the City of Salem Police Body Cameras

- \$1,000,000 for disbursement to the City of Salem for a voucher program
- \$10,500,000 for disbursement to the City of Salem for shelters
- \$5,000,000 for disbursement to Multnomah County for the Arbor Lodge Shelter and Village
- \$5,928,184 for disbursement to Cherriots to offset expiring tax credits
- \$718,079 for disbursement to Yamhill County Transportation to offset expiring tax credits
- \$288,451 for disbursement to Columbia County Rider Transportation to offset expiring tax credits
- \$44,975 for disbursement to Lebanon Transportation to offset expiring tax credits
- \$2,000,000 for disbursement to the Jackson County Fire District for firefighter apprentices
- \$2,000,000 for disbursement to the Clackamas Fire District for firefighter apprentices
- \$2,000,000 for disbursement to the Eugene Springfield Fire Department for firefighter apprentices
- \$2,000,000 for disbursement to the Innovation Law Lab for Immigration Defense
- \$1,500,000 for disbursement to the Northwest Health Foundation II for public safety reform activities

The Subcommittee added \$173,499,294 Other Funds expenditure limitation for one-time costs of special payments associated with the disbursement of proceeds from 2021-23 Lottery Bond sales; projects are detailed below and approved in SB 5534 (2021). Cost of issuance for these Lottery Bonds totals \$2,913,324. A total of \$4,615,761 Lottery Funds Debt Service was provided to support repayment of lottery bond proceeds approved in SB 5534 that will be issued before the end of the biennium. Debt service payments on all the projects described below are estimated to be \$29,350,840 Lottery Funds for the 2023-25 biennium, the first full biennium of repayments, and \$292,995,727 over the life of the bonds. The approved projects and amounts are:

- \$7,500,000 Other Funds for disbursement to the Center for Hope and Safety for the Hope Plaza
- \$2,000,000 Other Funds for disbursement to City of Gresham for the Gradin Community Sports Park
- \$15,000,000 Other Funds for disbursement to Eugene Family YMCA Facility
- \$5,400,000 Other Funds for disbursement to Jefferson County - Jefferson County Health and Wellness Center
- \$5,000,000 Other Funds for disbursement to Oregon Coast Aquarium
- \$3,500,000 Other Funds for disbursement to Parrott Creek Child & Family Services for building renovation
- \$2,400,000 Other Funds for disbursement to Port of Cascade Locks - Business Park Expansion
- \$12,000,000 Other Funds for disbursement to Klamath County for Klamath Crimson Rose
- \$4,000,000 Other Funds for disbursement to the Latino Network for La Plaza Esperanza
- \$6,921,150 Other Funds for disbursement to Willamette ESD for the Willamette Career Academy
- \$5,000,000 Other Funds for disbursement to City of Eugene for Downtown Riverfront Park Development
- \$15,000,000 Other Funds for disbursement to Woodburn Community Center

- \$3,000,000 Other Funds for disbursement to Rogue River School District for the Rogue River Wimer Wellness Center
- \$4,000,000 Other Funds for disbursement to East Lincoln County Fire and Rescue for the Eddyville Fire Hall
- \$3,000,000 Other Funds for disbursement to Greater Toledo Aquatic and Community Center
- \$10,000,000 Other Funds for disbursement to Multnomah County for Behavioral Health Resource Center
- \$5,000,000 Other Funds for disbursement to City of North Plains for a Public Works/Emergency Operations Center
- \$2,000,000 Other Funds for disbursement to City of John Day for the Central Grant County Aquatics Center
- \$6,250,000 Other Funds for disbursement to Family Justice Center of Washington County for Family Peace Center
- \$5,000,000 Other Funds for disbursement to Corvallis Homeless Shelter Coalition for Project Turnkey Corvallis (PSH Housing Project)
- \$4,500,000 Other Funds for disbursement to Wasco County for the Columbia Gorge Resolution Center
- \$4,000,000 Other Funds for disbursement to Port of Portland for PDX Seismically Resilient Runway Engineering Design
- \$7,250,000 Other Funds for disbursement to Willamette Falls Locks and Canal
- \$13,600,000 Other Funds for disbursement to City of Phoenix for a Public Safety Building
- \$4,578,144 Other Funds for disbursement to Mid-Willamette Family YMCA for Multi-Purpose Sports Field Complex
- \$2,800,000 Other Funds for disbursement to Serendipity Center for Believe In Me Campus Expansion
- \$5,000,000 Other Funds for disbursement to OMSI District for New Water Avenue
- \$2,500,000 Other Funds for disbursement to City of Lincoln City for the D River Welcome Center
- \$4,300,000 Other Funds for disbursement to Port of Morrow for a Workforce Center
- \$3,000,000 Other Funds for disbursement to City of Redmond for a Public Safety/Mental Health Triage Center

The Subcommittee approved \$65,476,928 Federal Funds expenditure limitation for monies from the CARES Act Coronavirus Relief Fund. Of the total, \$16,303,591 is provided for carry-forward of monies provided for COVID-19 vaccination incentives, including monies provided for County Vaccination Incentive grants. The remaining \$49,173,337 of the total expenditure limitation increase represents the Coronavirus Relief Fund monies projected to be either uncommitted or unspent at the end of the 2019-21 biennium. This \$49,173,337 will be transferred to the Department of Corrections for expenditures and activities to respond to the COVID-19 public health emergency. Oregon received a total of almost \$1.39 billion in state support from the CARES Act Coronavirus Relief Fund during the 2019-21 biennium.

The Subcommittee also approved \$120 million Federal Funds expenditure limitation for monies from the American Rescue Plan Act (ARPA) Capital Projects Funds for the purpose of transferring to the Oregon Business Development Department for deposit in the Broadband Fund. The Oregon Business Development Department will use this funding for grants to increase broadband internet availability across the state.

Federal Funds expenditure limitation of \$3 million was added for monies from the ARPA State Fiscal Recovery Fund for a grant to the Pendleton Round Up Foundation to partner with Blue Mountain Community College on the second phase of the Facility for Agricultural Resource Management project. This regional training center will allow Blue Mountain Community College to expand its agriculture programs, create

regional workforce training opportunities, and bolster the local economy through workshop, Career-Technical Education, and event opportunities utilizing the connections of its community partners.

The Subcommittee also approved \$1,950,127,815 Federal Funds expenditure limitation for monies from the ARPA State Fiscal Recovery Fund for the purpose of expenditures and activities to respond to the COVID-19 public health emergency and its economic impact, including replacing state revenues lost as a result of the COVID-19 public health emergency.

**Department of Administrative Services - American Rescue Plan Act (ARPA)**

As part of HB Bill 5006, \$240 million in federal ARPA funds were approved for the Department of Administrative Services (DAS) to distribute to each Senate and House district in the amounts of \$4 million per Senate district and \$2 million per House district, for projects identified in the following table, as long as the identified use is ARPA eligible. Should an item in the table be determined to be ineligible for ARPA funding, DAS will notify the Legislative Fiscal Office which will work with legislative leadership and the Senator or Representative of the affected district to ensure the funds are spent on ARPA eligible items.

District	Member	Project	Amount	Recipient
H-60	Owens	Harney County Fairgrounds	1,000,000	Harney County
		Malheur County Fair Barn Replacement	455,000	Malheur County
		Unity Water Tower Replacement	500,000	Baker County
		Sumpter Valley Railroad upgrades	45,000	Sumpter Valley Railroad Restoration, Inc

**Oregon Advocacy Commissions Office**

The Subcommittee approved an appropriation of \$228,372 General Fund for the Oregon Advocacy Commissions Office to hire one permanent, full-time Public Affairs Specialist 2 to engage with constituent communities.

**Oregon Liquor Control Commission**

To finance construction of a new liquor distribution center and headquarters facility, the Subcommittee approved the cost of bond issuance and 2021-23 debt service for the Oregon Liquor Control Commission (OLCC) as follows:

- For purchase of land and warehouse construction, \$632,735 Other Funds expenditure limitation for cost of issuance and \$3.4 million Other Funds expenditure limitation for debt service.
- For information technology systems for licensing, enforcement, and distribution center sales and inventory management, \$390,000 Other Funds expenditure limitation for cost of issuance, and \$3.2 million Other Funds expenditure limitation for debt service.
- For an order fulfillment and conveyor system, \$175,000 Other Funds expenditure limitation for cost of issuance and \$896,730 Other Funds expenditure limitation for debt service.

The cost of the new facilities is estimated to total \$89.5 million. Bond authorization is provided in SB 5505 for the acquisition of property and construction of a new liquor distribution center and headquarters facility (\$52.5 million); a new distribution center sales and inventory management information technology system (\$27 million); and a conveyor and order fulfillment system for the new facility (\$10 million). Expenditure limitation for the land and construction and the conveyor system is included in SB 5506, the Capital Construction bill.

OLCC has been working with the Capitol Projects Advisory Board and the Department of Administrative Services on due diligence related to facility replacement and property acquisition. A market evaluation is scheduled to occur in the autumn of 2021, final site selection is projected to occur in April of 2022, and construction is anticipated to be completed in 2024.

The Subcommittee provided the following instruction to OLCC:

**BUDGET NOTE**

Prior to disposition of its existing properties adjacent to McLoughlin Boulevard in Milwaukie, the Oregon Liquor Control Commission is directed to report to the Joint Committee on Ways and Means on plans for the sale and disposition of its existing distribution center, office headquarters, and Milport Road warehouse. The report shall include information on the zoning of the properties, submitted offers, real estate fees and commissions paid to contractors and real estate professionals engaged, conditions of sale, and listing price of the properties. In addition, the OLCC shall report on the new warehouse and headquarters location, purchase price, construction and relocation schedule; its interim operations plan including new leases and estimated costs; an overview of measures the agency will take to minimize disruption to licensees, contract liquor agents, and other stakeholders; and a summary of efforts to secure financial systems and data during the transition.

### **Public Employees Retirement System**

The Subcommittee approved \$16,792,238 Lottery Funds expenditure limitation for the Employer Incentive Fund to be used for a 25% state match program for employer side accounts, which are pre-paid employer contributions held in trust for the payment of employer contributions.

### **Department of Revenue**

A General Fund appropriation of \$292,002 was approved for the Department of Revenue to support one full-time Operations and Policy Analyst 4 position (1.00 FTE) in the Administration Division. The position will lead initiatives to improve the efficiency and effectiveness in the management of resources, lead analyses of systems and processes, and work with agency management to develop business cases and policy option packages.

A one-time General Fund appropriation of \$23.2 million was approved for the Department to make grants to counties for the reimbursement of lost tax revenue related to the 2020 wildfires. Distribution of these funds will be limited to counties included in Executive Order 20-60 that were impacted by the 2020 wildfires and that can demonstrate losses due to the September 2020 wildfires in property tax years beginning on or after July 1, 2020. For 2020-21, the following estimated amounts of lost tax revenues will be provided to the following counties:

- Lincoln: \$208,178
- Marion: \$715,634
- Clackamas: \$116,831
- Lane: \$579,208
- Linn: \$72,226
- Douglas: \$65,060
- Jackson: \$2,829,073
- Klamath: \$228,162

Prior to disbursement of funds by the Department, each county must apply by December 1, 2021, and annually thereafter. Applications must include a copy of a county ordinance or resolution authorizing the request and a sworn statement that the amount represents estimated revenue lost in that property tax year due to the September 2020 wildfires. The Department will review applications and distribute funds as requested by December 31st and each year thereafter. The Department is authorized to establish rules for the purposes of these distributions.

Other Funds expenditure limitation was increased by \$4,245,000 for expenditure of Article XI-Q Bond proceeds on the Electronic Valuation Information System (ELVIS) project authorized in SB 5506. The objective of this project is to modernize the various outdated appraisal systems and associated manual processes used by the valuation section. One Information Systems Specialist 7 (0.88 FTE) and one Information Systems Specialist 8 (0.88 FTE) are provided to support the system. The Department's General Fund appropriation for debt service and related costs was increased by \$672,270 for debt service for the 2021-23 biennium. Debt service is estimated to be \$1,349,060 for the 2023-25 biennium.

To address the Department's cost of implementing SB 139 relating to taxation, \$161,387 General Fund was approved for one permanent, part-time Tax Auditor 2 position (0.50 FTE) to answer questions from businesses and personal income taxpayers and assist with written objections related to the tax rate changes.

To address the Department's cost of implementing SB 727 relating to taxation, \$438,569 General Fund was approved for three positions (2.00 FTE). One permanent, full-time Tax Auditor 2 (1.00 FTE) was approved to assist with the implementation of the Business Alternative Income Tax (BAIT) and to answer technical questions. One permanent, part-time Data Entry Operator (0.50) was approved to key additional schedules and fields on paper returns into Quick Modules for processing into GenTax. One permanent, part-time Operations and Policy Analyst 3 (0.50 FTE) was approved for GenTax testing and business entity analysis.

To address the Department's cost of implementing HB 2433 relating to taxation, \$397,011 General Fund was approved for five positions (2.50 FTE). One permanent Administrative Specialist 2 position (0.50 FTE) was approved to provide clerical support, and four permanent seasonal Public Service Representative 3 positions (2.00 FTE) were approved to process Individual Taxpayer Identification Number filers.

### **Secretary of State**

The Subcommittee approved a total of \$2,474,287 General Fund and one limited duration Program Analyst 4 position (1.00 FTE) for the Elections Division. Of the total, \$2 million was added for grants to counties to address county elections offices equipment and technology needs. This includes, but is not limited to, updating voting machines, purchasing new processing equipment (ballot sorters, tabulator upgrades, postmark scanners, keyed locks, and equipment for implemented upgrades), video surveillance upgrades, ballot drop boxes, and software needed for implementation of risk limiting audits. In addition, \$120,000 General Fund was added for GIS interface updates needed to implement a redistricting plan. The limited duration position is supported with \$354,287 General Fund and will assist with distributing resources to counties and addressing local county clerk redistricting needs.

### **Oregon State Library**

An increase in Federal Funds expenditure limitation of \$2,924,165 was approved for the State Library for the expenditure of American Rescue Plan Act (ARPA) funds for five focal project areas. These areas include connectivity; digital equity and inclusion; equity, diversity, inclusion, and antiracism; needs arising from the pandemic; and workforce development. These focal areas apply to the State Library's direct spending as well as subgrants provided to museums, tribes, and other entities. One Administrative Specialist position (1.00 FTE), supported with Federal Funds, is provided to help with the disbursement of ARPA funds.

### **Oregon State Treasury**

Nonlimited authority for the Trust Property programs was modified to include charges for investment-related transactions.

## **CONSUMER AND BUSINESS SERVICES**

### **Bureau of Labor and Industries**

A General Fund appropriation of \$2,310,459 was approved for the agency's role in the Fair Housing Enforcement Statewide Investment collaborative partnership between the Fair Housing Council of Oregon (FHCO), the Bureau of Labor and Industries (BOLI), the Department of Justice (DOJ), and other housing partners. This funding supports one Program Manager (1.00 FTE); Six Civil Rights Investigators (6.00 FTE) to support housing discrimination investigation in four priority regions; and one Training and Development Specialist (1.00 FTE) to provide statewide fair housing education and outreach.

### **Consumer and Business Services**

The Subcommittee approved the transfer of the Senior Health Insurance Benefits Assistance (SHIBA) program from the Department of Consumer and Business Services (DCBS) to the Department of Human Services (DHS). The intent of this transfer is to consolidate all the SHIBA funding and programs in DHS since that agency already has two of the three SHIBA-related federal grants. This transfer requires a \$1,813,619 Federal Funds expenditure limitation reduction to DCBS' budget and a reduction of two Program Analyst 2 positions (2.00 FTE) and two Public Service Representative 4 positions (2.00 FTE).

A technical adjustment was approved to accurately reflect the number of positions needed to support the new behavioral health treatment oversight requirements established in HB 3046 (2021). This adjustment adds one position to the three that are already approved.

A General Fund appropriation of \$10,678,004 was approved as part of the Wildfire Recovery Initiative. This funding is for a new grant program to incentivize residential and commercial fire hardening for rebuilding and repairing dwellings and other structures that were destroyed or



damaged in the 2020 wildfires. Administration for the new grant program is capped at \$678,004. One Principal Executive Manager E (1.00 FTE) is also approved for the program.

The Subcommittee approved the transfer of the Compact of Free Association (COFA) Premium Assistance Program and health insurance exchange from the DCBS to the Oregon Health Authority (OHA) as described in SB 65 (2021). This transfer requires DCBS to reduce its Other Funds expenditure limitation by \$14,870,281 and eliminate 18 positions (18.00 FTE).

### **Mental Health Regulatory Agency**

The Mental Health Regulatory Agency provides administrative and regulatory oversight to two licensing boards that oversee mental health professions in the state, the Board of Psychology and the Board of Licensed Professional Counselors and Therapists. Due to legislative interest in gaining a better understanding of licensee demographics and increasing diversity of the mental health workforce, the Subcommittee approved \$300,000 General Fund and the following budget note:

#### **BUDGET NOTE**

The Mental Health Regulatory Agency shall engage a third party consultant to study the demographics of those individuals licensed by the boards and devise a plan to increase licensee diversity, including an examination of the boards' application processes, investigation of complaints and allegations related to application disclosures, and the boards' consideration of applicant character and fitness. A written report on the study and plan must be provided to the appropriate legislative policy committee(s) no later than December 31, 2022. The agency must also present this information to a subcommittee of the Joint Committee on Ways and Means during the 2023 legislative session.

## **ECONOMIC AND COMMUNITY DEVELOPMENT**

### **Oregon Business Development Department**

Anticipating the issuance of general obligation bonds for the seismic rehabilitation program at the Oregon Business Development Department (OBDD), the Subcommittee approved expenditure limitation of \$160 million Other Funds for program grants: \$110 million for public school buildings and \$50 million for emergency services facilities. An increase in Other Funds expenditure limitation of \$2 million was approved for paying the cost of bond issuance.

The Subcommittee approved an increase of \$6,371,670 in the Department's General Fund appropriation for the payment of debt service on bonds issued for the seismic rehabilitation program.

A General Fund appropriation of \$4 million was approved for the Business Innovation and Trade Division to provide grants to local governments to aid in the short and long-term efforts to recover from the 2020 wildfire season. The total amount of funding represents the reestablishment of funding that was provided for this purpose by the Emergency Board in January 2020 but was unspent at the end of the 2019-21 biennium, plus an additional \$2 million due to anticipated program need. The funding is available for a variety of activities that include, but are not limited to, human resources, land use planning, infrastructure planning, FEMA recovery applications, building permit application processing, financial and administrative program support, and translation services.

The Subcommittee approved \$80,000 General Fund for the Infrastructure Division to distribute as a grant to Crawford Electric Company to reimburse the company for the cost of temporary power poles that the State of Oregon used immediately following the 2020 wildfires.

A total of \$4,238,074 General Fund was approved for the Department's Infrastructure Division to make grants to specific local governments for financial assistance for their building and planning departments' staffing needs. The individual recipients are:

- Lane County           \$755,319
- Linn County           \$275,000
- Lincoln County       \$190,000
- Douglas County       \$375,000
- Marion County        \$975,000
- Jackson County       \$710,000
- City of Talent         \$280,000
- City of Phoenix       \$677,755

The Subcommittee approved an appropriation of \$772,000 General Fund for making grants to the following entities for staffing and operational needs associated with the 2020 wildfire season:

- City of Gates           \$251,000
- City of Detroit         \$521,000

An allocation of \$275,722,721 American Rescue Plan Act State Fiscal Recovery Funds (Other Funds) was approved for the Department to make grants to local governments in the following amounts, for the critical drinking water, storm water, and sanitary sewer projects identified below:

- \$2,923,500 for the City of Mill City storm drainage improvements

- \$2,694,953 for Hood River waterfront stormwater line
- \$2,640,125 for the City of Elgin wastewater collection system
- \$14,700,000 for the City of Sandy wastewater treatment plant
- \$50,000,000 for Marion County North Santiam septic to sewer project
- \$3,000,000 for the City of Turner water pipe project
- \$100,000 for the City of Vale wastewater treatment facility headworks improvements
- \$2,790,000 for the City of Astoria 16th St distribution waterline replacement
- \$2,930,000 for the City of Astoria Pipeline Road waterline resilience
- \$10,000,000 for the City of Clatskanie - waste water treatment plant
- \$5,260,000 for the Lyons-Mehama Water District tank and pipeline project
- \$2,425,798 for the Port of Toledo sanitary sewer extension to Hwy 20
- \$974,850 for the City of Waldport water tank project
- \$2,000,000 for the Arch Cape Domestic Water Supply District Arch Cape Forest project
- \$4,860,000 for the City of Astoria wastewater treatment plant headworks improvement project
- \$5,530,000 for the City of Echo water system improvements
- \$1,500,000 for the City of Echo wastewater system improvements
- \$10,545,543 for the City of Aurora wastewater treatment plant facility
- \$4,284,203 for the City of Aurora water storage tank and pump station
- \$3,200,000 for the Crane Union School District 1J Crane community water and sewer system
- \$250,000 for the City of Arlington Columbia River municipal pump station
- \$65,000 for the City of Arlington wastewater facilities plan
- \$12,000,000 for the City of Tillamook water transmission line replacement
- \$1,140,000 for the Mapleton Water District water infrastructure projects
- \$14,628,685 for the City of Lakeside wastewater treatment plant replacement
- \$10,000,000 for the City of Scappoose water infrastructure projects
- \$2,500,000 for the City of Aumsville water system improvements
- \$12,000,000 for the City of Philomath water treatment plant and reservoir construction
- \$900,000 for the Wasco County Soil and Water Conservation District Mosier Million #2 well replacement project
- \$835,000 for the Crescent Sanitary District wastewater collection system
- \$5,800,000 for the City of Carlton wastewater treatment plant
- \$15,500,000 for Lane County McKenzie River Valley drinking water and wastewater system replacements

- \$1,800,000 for the Panther Creek Water District water reservoir replacement
- \$15,000,000 for Lincoln County Panther Creek septic and stormwater systems
- \$3,000,000 for the City of Detroit drinking water system
- \$3,000,000 for the City of Ashland for Talent, Ashland, and Phoenix intertie improvements
- \$500,000 for Lincoln County well repair
- \$25,000 for the City of Gates water meter replacement
- \$5,000,000 for the City of Phoenix Charlotte Ann Water District disbanding transition costs
- \$3,000,000 for the City of Powers sewer collection system and sewer plant
- \$1,570,064 for the City of Roseburg stormwater system improvements
- \$200,000 for Cave Junction water distribution center
- \$2,500,000 for the City of Mosier wastewater treatment plan update
- \$3,000,000 for the City of Nyssa water system expansion
- \$2,700,000 for the City of Medford SW Medford water and sewer infrastructure
- \$950,000 for the City of Redmond Skyline Village affordable housing sewer
- \$10,500,000 for the City of Corvallis Rock Creek transmission main
- \$15,000,000 for the Lakeview water treatment facility

The Subcommittee approved an increase of \$15 million Other Funds expenditure limitation for the Infrastructure Division to provide grants for levee projects from the net proceeds of Lottery Bonds authorized to be issued and deposited in the fund during the upcoming biennium.

Additionally, the Subcommittee approved adjustments to the agency's Nonlimited Other Funds budgeted expenditures that produced a net increase of \$90 million. Increases were made for net Lottery bond proceeds of \$50 million to be deposited in the Special Public Works Fund from authorized bond issues in the upcoming 2021-23 biennium. Another \$50 million General Fund was appropriated for deposit in the Special Public Works Fund, and \$10 million of net proceeds of Lottery Bonds was approved for deposit in the Brownfields Redevelopment Fund. These increases are offset by a reduction of \$20 million Nonlimited Other Funds that had been provided in the agency's budget bill (HB 5023) in error.

The \$50 million General Fund deposited in the Special Public Works Fund provides loans and grants for publicly owned facilities that support economic and community development in Oregon. Funds are available to public entities for planning, designing, purchasing, improving, and constructing publicly-owned facilities.

An increase of \$20 million Other Funds expenditure limitation was approved for the Infrastructure Division to grant funding to the City of Salem for a drinking water system project. The expenditure is supported by bond proceeds.

Other Funds expenditure limitation was increased by \$50 million for the Business Innovation and Trade Division to provide grants to local independent movie theaters and entities in Oregon's live events industry to support their recovery from business closures due to the pandemic. Approximately \$5 million is intended for distribution to small and community movie theaters. Remaining funds are to be distributed to support the live events industry, including live event operators, music, cultural and community venues, and other entities supporting live events. Grants made to organizations for subsequent distribution to individual entities are eligible for administrative costs related to the distribution of funding. All qualifying entities are required to self-certify as to the need being directly related to the COVID-19 pandemic.

The Subcommittee approved \$25 million General Fund to support flexible grants to public and/or private entities for projects targeted at facilitating private investment in Oregon, with a focus on leading or emerging business sectors. The funding is intended to complement efforts under other OBDD programs or funds. Examples of potential uses include public infrastructure such as rail, road, docks, terminal, or airport improvements; power infrastructure; natural resources/wetland mitigation; and other projects enabling investment and long-term public return and benefit. Private sector projects might involve areas such as manufacturing, emerging energy, environmental, supply chain, and feedstock development.

The Department will need to set up the program and create rules prior to awarding grants. If statutory language or further legislative direction is needed to implement the program, OBDD will work with the Legislature to obtain these; depending on requirements, this may mean program initiation may be delayed until the latter half of the biennium.

The Subcommittee approved increases in Other Funds expenditure limitation totaling \$9,149,378 for the Department's Arts and Cultural Trust to distribute grants funded by the issuance of Lottery Bonds for cultural facilities as follows:

- \$750,000 for the Maxville Heritage Interpretive Center - Preservation of Maxville Townsite
- \$2,000,000 for the Artists Repertory Theatre
- \$600,000 for the Joseph Center for Arts and Culture
- \$295,000 for the Eastern Oregon Regional Theatre - Baker Orpheum Theatre Restoration
- \$1,250,000 for the Chehalem Cultural Center - Performing Arts Wing
- \$750,000 for the Siletz Tribal Arts and Heritage Society
- \$1,600,000 for the Jon G. Shedd Institute for the Arts
- \$600,000 for the Little Theatre on the Bay - Liberty Theatre Expansion
- \$304,378 for the Columbia River Maritime Museum - Lightship Columbia Preservation
- \$1,000,000 for the Portland Art Museum - Rothko Pavilion

The Subcommittee approved an increase in expenditure limitation of \$10 million Other Funds for the Infrastructure Division to make grants for county fair capital improvements.

Increases in Other Funds expenditure limitation of \$1,254,312 for the Infrastructure Division and \$361,350 for the Arts and Cultural Trust were approved by the Subcommittee for payment of costs associated with the issuance of Lottery Bonds. Also approved was an increase of \$6,905,674 Lottery Funds expenditure limitation for the Infrastructure Division to pay debt service on Lottery Bonds.

Other Funds expenditure limitation of \$120 million was established for the Department for expenditure of American Rescue Plan Act (ARPA) Capital Projects Funds received by the Oregon Department of Administrative Services and transferred to the Department for deposit in the Broadband Fund. Monies in the fund are available to be used to provide grants or loans through the Oregon Broadband Office and for the administrative costs of the office. Eligible uses of the grants and loans include projects for the planning and development of broadband service infrastructure.

The Subcommittee approved budget adjustments to allow the Department to expand staffing capacity. These adjustments include: Lottery Fund expenditure limitation increases of \$1,387,837 for the Operations Division and \$480,743 for the Business Innovation and Trade Division. General Fund is increased by \$85,845 for the Business Innovation and Trade Division and \$219,660 for the Infrastructure Division. Other Funds expenditure limitation is increased by \$272,000 for the Operations Division, \$461,286 for the Business Innovation and Trade Division, and \$219,660 for the Infrastructure Division. For the Operations Division, the establishment of 8 positions (8.00 FTE) are authorized including a human resources analyst, an accounting technician, two procurement and contract specialists, two information technology specialists, and two public affairs specialists. For the Business Innovation and Trade Division, the establishment of 5 positions (5.00 FTE) are authorized that include three regional project managers, a loan specialist, and a program analyst. The Subcommittee also authorized the establishment of a federal grant manager position (1.00 FTE) and an operations and policy analyst (1.00 FTE) in the Infrastructure program.

The Subcommittee approved an increase in Lottery Funds expenditure limitation for the Film and Video Office of \$112,500 for program enhancements. The Film and Video office will use \$60,000 of the funding for workforce development and paid placement programs; \$22,000 for regional festival and event sponsorship support; \$3,500 for travel and accommodation costs; \$23,000 for special events, a residency program, and regional office support; and \$4,000 for business recruitment.

Increased Lottery Fund expenditure limitation of \$1.6 million was approved for the Infrastructure Division to provide a grant to the Port of Port Orford for the Seafood Hub Redevelopment Project. The project centers on the creation of a seawater system that would allow the Port to provide sustainable operational support to the fishing fleet, facilities for on-site marine research, and ocean-related recreational opportunities. Additional funding to support the total project cost of \$7,657,020 includes \$5,275,020 from the U.S. Economic Development Administration and \$800,000 in local funds.

Interest earnings on general obligation bond proceeds produced \$5,800 that is available to offset General Fund for debt service. The subcommittee approved the establishment of an Other Funds expenditure limitation of \$5,800 for the use of these interest earnings on debt repayment.

The Subcommittee approved an increase of \$500,000 Other Funds expenditure limitation for the Business Innovation and Trade Division to make grants from the Oregon Rural Capacity Fund established in HB 2345 (2021). The fund is for making grants to Economic Development Districts to assist rural jurisdictions in learning about, applying for, and managing grants and other funding opportunities that can be used to support workforce, infrastructure, economic development, and community development.

Expenditure limitation of \$10 million Other Funds was approved for the Business Innovation and Trade Division to make grants from the Disadvantaged and Emerging Small Business Loan Fund established in HB 2266 (2021), in conjunction with the establishment of a direct loan program for making loans to eligible business that have been certified by the Certification Office for Business Inclusion and Diversity and have been referred to the department by a technical assistance provider.

The Subcommittee approved an increase in expenditure limitation of \$10 million Lottery Funds for the Business Innovation and Trade Division to provide a grant to Oregon21, LLC for the direct costs of the World Track and Field Championship.

### **Employment Department**

Other Funds expenditure limitation is increased by \$872,278 to accommodate administrative expenses of the Employment Department related to carrying out the provisions of SB 172 (2021) which limits the window in which non-fraudulent overpayments can be recovered from a claimant to five years and creates the ability for certain overpayments to be waived. Notification procedures and changes to automated systems require support for 10 limited duration Revenue Agent 1 positions (5.00 FTE) in the 2021-23 biennium associated with this work. Personal services costs are \$647,578 and services and supplies costs are \$180,000.

### **Housing and Community Services Department**

The Subcommittee approved \$30 million General Fund on a one-time basis for the Housing and Community Services Department (HCSD) to compensate landlords for 100% of missed rental payments for applications submitted to the Landlord Compensation Fund for rent owed between April 1, 2020 and the date of the landlord's application through June 30, 2021, subject to availability of funds. These funds can also be used to complete compensation payments for applications approved prior to passage of SB 278. Any amount remaining unallocated upon closure of the application portal and disbursement of funds is not intended to be carried forward into future biennia.

An additional \$5 million General Fund is appropriated to the Department on a one-time basis for a grant to Home Forward to make distributions to landlords who delayed termination notices or eviction proceedings pursuant to section 9 of SB 278 (2021). Landlords can apply for this compensation if they can demonstrate that they waited at least 60 days to receive rent payments from a tenant who was denied rental assistance. Home Forward is responsible for primary program design, with HCSD providing application verification information. Up to 10% of the appropriation can be used by Home Forward for administrative costs or those of its subcontractors; separate accounting and reporting mechanisms are to be maintained for this program.

A one-time General Fund appropriation of \$2 million was approved for the Department to make a grant to SquareOne Villages for a shared equity affordable homeownership pilot project. Upon awarding the grant, the Oregon Housing Stability Council may request information from SquareOne Villages regarding description of the project, number of units, characteristics of housing built and populations served, other financing partners, and evaluation of outcomes.

Proceeds from the sale of \$410 million in Article XI-Q bonds will be used by the Department to develop affordable housing units and supportive housing units for Oregonians who have experienced chronic homelessness. The LIFT program produces approximately 750 units of affordable housing for every \$100 million in funding. Of the total amount of bond proceeds, \$60 million is intended to fund applications submitted in the 2019-21 biennium that would have been successful candidates for project funding but for the fact that available funding was insufficient to meet demand. An estimated \$50 million in bond proceeds will be directed toward construction of approximately 350 units of housing with supportive services for very low-income Oregonians who require tenancy services and rental assistance to remain stably housed. General Fund of \$1.6 million is included for supportive services and rental assistance payments associated with those units, based on the timing of bond issuance and units ready for occupancy in the 2021-23 biennium. Supportive services and rental assistance on these units is anticipated to cost \$15.5 million General Fund in the 2023-25 biennium; coupled with service and rent assistance for units constructed with bonds authorized in 2019-21 biennium, the total "service dollars" costs are expected to reach \$28.7 million in 2023-25. Expenditure limitation for cost of bond issuance in 2021-23 was approved in the amount of \$3,490,000 Other Funds, General Fund debt service was increased by \$21.4 million, and administrative costs to develop the units total \$2,037,700 Other Funds expenditure limitation. Eleven positions (10.25 FTE) are needed for accounting, compliance, underwriting, and reporting.

To capitalize revolving loans that can be used by developers of low-income housing to purchase land or naturally-occurring affordable housing, the Subcommittee approved \$30 million General Fund on a one-time basis. The Department will use this revolving loan fund to support the



long-term affordable rental housing needs of Oregonians who have been historically rent-burdened or underrepresented in home ownership. A portion of these loan funds are intended to be awarded to applicants who have demonstrated experience or expertise in serving these communities.

To preserve an estimated 1,600 units of existing affordable housing, the Subcommittee approved \$100 million General Fund. This funding can be used for publicly supported affordable housing, properties with federal project-based rental assistance contracts, rent subsidies, manufactured dwelling parks, and properties undergoing recapitalization.

The Subcommittee approved \$3 million General Fund on a one-time basis to provide a grant to a not for profit organization to develop or improve infrastructure for a manufactured dwelling park in Springfield Oregon. The Department will require the organization receiving the grant to provide a report to the agency that includes information on accounting and the use of grant money, identification of other funding to support the project, and resources provided to park residents.

General Fund of \$225,953 was approved for the Department to study and make legislative recommendations on the incorporation of a Regional Housing Needs Analysis into state and local planning programs. The funds will support a position (1.00 FTE) to conduct stakeholder outreach and engagement and data improvement, with the goal of developing a legislative proposal for incorporation of a regional housing needs analysis into future state and local planning processes.

#### **BUDGET NOTE**

The Housing and Community Services Department is directed to work with the Department of Land Conservation and Development to provide an initial legislative report no later than February 1, 2022 and a final legislative report no later than December 31, 2022 on efforts to develop a legislative proposal for incorporation of a regional housing needs analysis into future state and local planning processes.

The Subcommittee approved Other Funds expenditure limitation of \$4.5 million for rental assistance payments associated with a long-term rental assistance program established in HB 2163 (2021). The program is for rental assistance payments to individuals age 25 and younger who are or have recently been homeless, in substitute care, incarcerated, or in a facility for mental health or dependency treatment. One Operations and Policy Analyst position (1.00 FTE) is authorized to develop and manage the program. General Fund to support the program was included in HB 2163 on a one-time basis.

For wildfire recovery efforts, the Subcommittee approved \$100.4 million General Fund for construction, rebuilding, and financing initiatives for wildfire survivors. Two positions (1.76 FTE) were authorized to support these initiatives. Other Funds expenditure limitation of \$50.8 million (including \$780,071 for cost of bond issuance) will allow the Department to acquire land for rebuilding efforts, as well as to provide interim housing for those displaced by wildfires. Debt service on these bonds is \$2.2 million Lottery Funds for the 2021-23 biennium.

### **Department of Veterans' Affairs**

Other Funds expenditure limitation of \$6,113,208 was established for distribution of Lottery bond proceeds for the veterans' affordable housing project, including \$113,208 for bond issuance costs. Lottery Funds debt service of \$499,184 was established for the 2021-23 biennium and is estimated to be \$993,687 in the 2023-25 biennium.

The Subcommittee approved \$175,000 Lottery Funds expenditure limitation on a one-time basis for the Veteran Educational Bridge Grant Program. These grants are designed to provide some support to student veterans that find themselves unable to complete their academic programs on time due to the unavailability of a required class.

## **EDUCATION**

### **State School Fund**

The Subcommittee approved a reduction of \$27,849,006 General Fund, an increase of \$219,059,876 Lottery Funds, and an increase of \$8,789,130 Other Funds from the Fund for Student Success for the State School Fund. This change reflects the final balance of use of available Lottery Funds across the entire state budget as well as the most recent forecast of the Fund for Student Success related revenues. This assumes no transfer of Education Stability Fund resources to the State School Fund and brings the total funds State School Fund amount to \$9.3 billion.

### **Oregon Department of Education**

The Subcommittee approved \$125 million Other Funds expenditure limitation for the Oregon School Capital Improvement Matching program (OSCIM). The proceeds of the sale of Article XI-P general obligation bonds authorized in SB 5505 are used for grants to school districts which match the grant with proceeds of locally issued bonds for the construction and improvement of school district buildings and property.

The Subcommittee approved \$17.5 million Other Funds expenditure limitation for Lottery Bond proceeds authorized in SB 5534 for deposit into the Connecting Oregon School Fund (COSF) for expanding Internet connectivity in schools and maximizing the use of available federal resources. The agency will use COSF to provide state grants to districts that are successful in applying for federal E-rate funding from the Universal Service Administrative Company (USAC) for special construction projects. These projects will provide new or improved existing internet connectivity for schools in which the federal E-Rate funding would typically provide between 60-80% of project costs. ODE will provide state grants for up to 10% of project costs which will leverage an additional matching federal contribution, which may enable sufficient funding to pay for the entire cost of the project. Projects in which federal and state resources do not fully fund a project will be the responsibility of the district to provide through other resources. State funding will be allocated through a formula that prioritizes schools based on income levels; rural and remote areas of the state; and the current type of internet connectivity and download speeds. ODE estimates these funds will leverage up to an additional \$70.8 million in resources for 40 to 60 projects that focus on improving both schools and district-wide area network connectivity.

Three capital projects were approved for the Oregon School for the Deaf to be financed with Article XI-Q bonds. There is a total of \$666,308 General Fund designated for debt service on these bonds during 2021-23. The projects are for remodeling restrooms to bring them to ADA standards, fire alarm system replacement, and upgrades of windows.

A total of \$1,459,142 Other Funds expenditure limitation was approved for the cost of issuance of general obligation (SB 5505) and Lottery bonds (SB 5534). These include the costs for bonds issued for the Oregon School Capital Improvement Matching program (Article XI-P bonds), projects for the Oregon School for the Deaf (Article XI-Q bonds) and for Broadband Connecting Oregon Schools grants (Lottery bonds). An Other Funds debt service expenditure limitation was established for \$330 to use Other Funds savings to offset the need for General Fund to pay for debt service on outstanding general obligation bonds.

A one-time \$500,000 General Fund appropriation was approved for a study of the impacts of State School Fund spending and to determine if this spending pattern results in disparities between students who are black, indigenous or people of color (BIPOC) and those who are not BIPOC students. The Oregon Department of Education will award a contract to an experienced researcher who has done research on exploring and modeling education finance policy and practice including research on the effects of fiscal policies and implications on resources at the school and classroom levels. The researcher awarded the contract should have completed at least one multi-year study of weighted student funding. The Department is to provide support and data for the researcher(s). The Department should also appoint an advisory committee with representatives from various educational advocacy and community groups with experience working with historically underserved students. This committee is to review variations in school level spending across multiple types of expenditures across 25 school districts, and to review the proportion of diverse teachers and students. The Department is to submit a report with the results and findings of the study and advisory committee by December 15, 2022.

Funding and Other Funds expenditure limitation was approved for the provisions of HB 3073 (2021), which establishes the new Department of Early Learning and Care (DELIC), eliminates the existing Early Learning Division of the Oregon Department of Education, transfers the Employment Related Day Care (ERDC) program to the new DELIC effective July 1, 2023, and makes policy and eligibility changes to the ERDC program. In this bill, there is \$3.5 million General Fund appropriated to the Oregon Department of Education for 14 positions (12.92 FTE) hired before March 1, 2020 necessary to establish the new agency and develop its payment systems, accounting structures, Information Technology systems, employee hiring processes, and other activities. The funding for these positions is for the full 2021-23 biennium. A special purpose appropriation to the Emergency Board of \$5.1 million General Fund is included for the costs of staff hired after March 1, 2020 and other costs of the new agency. Finally, an Other Funds expenditure limitation increase of \$95 million is provided to the Department of Human Services for ERDC costs including a new co-pay policy. These Other Funds for the ERDC program are resources transferred from the Early Learning Division/DELIC and include American Rescue Plan Act funding specifically for early learning and child care related spending.

SB 5513 (2021), the budget bill for the Oregon Department of Education, includes \$9 million General Fund for preschool program spending during the 2021 Summer months. This funding is part of the \$250 million Summer Learning initiative passed in HB 5042 earlier in the 2021 legislative session. The budget report for HB 5042 included specific allocations of \$6 million for the Preschool Promise, Oregon Prekindergarten,

and Early Learning Equity Fund programs. Based on the applications for this funding, the Early Learning Division has determined that the allocations in the HB 5024 budget report will result in not all of the funding for the Oregon Prekindergarten and the Early Learning Equity Fund being spent and insufficient funding for the Preschool Promise program to meet the volume of applications. Given this situation, the Subcommittee instructed the Early Learning Division to adjust the allocations among the three programs to maximize the amount of funding awarded to providers.

### **Higher Education Coordinating Commission**

After the passage of SB 5528 (2021), the budget bill for the Higher Education Coordinating Commission (HECC), it was discovered that the appropriations for Public University Statewide Programs and Statewide Public Services programs were mistakenly switched in the amendment. This measure includes a \$103,420,570 General Fund decrease in the Public University Statewide Programs appropriation (section 1(8) of SB 5528) and a corresponding increase in the appropriation for the Statewide Public Services (section 1(9) of SB 5528) to correct the error.

Other Funds expenditure limitation of \$5 million was approved for the Financial Management Information System, or FAMIS, project which is financed with the proceeds from the sale of Article XI-Q Bonds. The FAMIS project will replace out-of-date existing systems supporting the student financial aid programs of the Commission. Better student access to assistance, security issues, and the need for a more web-based system are just a few of the factors driving the need for this project. The project has approval for an early bond sale requiring debt service for 2021-23; the Subcommittee approved \$867,805 General Fund to pay that expense.

An additional bond financed project received approval for an early bond sale requiring debt service for 2021-23. This is the Oregon Manufacturing Innovation Center's Research and Development Center for Additive Manufacturing Innovation Phase II project. This project requires \$773,239 General Fund for debt service in 2021-23.

The Subcommittee approved Other Funds expenditure limitation of \$7,003,106 for the cost of issuance for bonds authorized in SB 5505 (Article XI-G, XI-Q, XI-F bonds) and in SB 5534 (Lottery Bonds) for public universities, community colleges, and for HECC. Other Funds expenditure limitation of \$530,575 was approved for debt service on general obligation bonds issued on behalf of community colleges. These Other Fund resources will offset General Fund in the same amount for payment of the debt service. Nonlimited Other Funds debt service is reduced by \$10.3 million for savings generated from the refunding of Article XI-F bonds issued for the benefit of public universities and the Oregon Health and Science University.

The Subcommittee approved \$5 million General Fund for distribution to five programs or organizations that assist college-going individuals or those considering post-secondary education. Each of these programs will receive \$1 million in one-time funding:

- ASPIRE, which is a mentoring based program, will use the funds to expand the number of ASPIRE sites across the state and increase the size of the participation grants to expand their college and career preparation resources, transition activities, career training resources, and staff/volunteer training.
- College Possible is a program designed to reduce barriers to students in accessing post-secondary education, especially students from underserved backgrounds. This \$1 million grant will assist the organization to serve the 1,150 students currently in the program and will increase the number of students served by 25%. Several school districts have expressed interest in partnering with College Possible for programming and this will increase the ability to meet those requests.
- The Oregon TRIO Association (TRIO) promotes educational equity, access, and opportunity for underrepresented students. This funding will be used for three initiatives: (1) a study abroad/exchange scholarship program for low-income students; (2) a “Last Mile” scholarship fund targeted to post-secondary students who are at risk of having to drop out in their last year before graduation; and (3) to provide grant-writing training to organizations to increase the number of TRIO programs in targeted areas.
- Advancement via Individual Determination (AVID) is a program to prepare middle and high school students for success in four-year post-secondary institutions. Funding will be used for professional development for over 400 educators to assist their students, and to expand the AVID College Readiness System to an additional two to three rural school districts.
- Build EXITO, the National Institutes of Health’s Building Infrastructure leading to Diversity (BUILD) initiative in Oregon, is an undergraduate research training program for students. This funding will increase the organization’s recruitment efforts with partner community colleges in the metro area, provide sophomore research preparation for 400 students, and recruit professional research mentors at the Oregon Health & Science University and Portland State University.

SB 551 (2021) appropriated \$12.9 million General Fund for the costs of providing health care insurance for part-time faculty at community colleges and public universities. The General Fund appropriation was for deposit in the Part-Time Faculty Insurance Fund created in the measure. After review of SB 551, it was determined that Other Funds expenditure limitation was required to actually spend money out of this new fund; the Subcommittee approved an Other Funds expenditure limitation increase of \$12.9 million for HECC for this purpose.

SB 762 (2021) appropriated \$10 million General Fund to provide resources for the Oregon Conservation Corps program. The program is established to reduce the risk of wildfires, assist in the creation of fire-adapted communities, and engage youth and young adults in workforce training. The General Fund appropriation was to the Oregon Conservation Corps Fund created in SB 762. After review of that bill, it was determined that Other Funds expenditure limitation is required to spend money out of this new fund. The Subcommittee approved an Other Funds expenditure limitation increase of \$10 million for the Higher Education Coordinating Commission for this purpose.

The Commission recently changed the Student Success and Completion funding model which is used to distribute the Public University Support Fund to the state’s seven public universities. One outcome of that change was to remove two programs at Oregon State University (OSU) from the formula, the Veterinary Diagnostic Laboratory and the Facilities Maintenance resources for facilities at OSU that are used by the Experiment Station, the Extension Service, and the Forest Research Laboratory. When this action was taken, the amounts used in the 2021-23 budget were

not adjusted for inflation. The Subcommittee recognized this need and increased the Public University Statewide Program budget by \$162,753 General Fund for the Veterinary Diagnostic Laboratory and the appropriation for Statewide Public Services by \$236,922 General Fund for the OSU facilities maintenance.

Two projects were approved for funding from the American Rescue Plan Act State Fiscal Recovery Funds. These funds will be transferred from the Department of Administrative Services to the agency to be spent as Other Funds and be distributed to the appropriate institution. The two projects are:

- A one-time grant of \$3.5 million to Southern Oregon University (SOU) to demolish Cascades Hall, a former dormitory that is currently being used primarily for storage and flex space. The Cascades Hall building is estimated to have a deferred maintenance backlog totaling \$12 million and demolition is more cost effective than renovation. SOU anticipates the removal of the facility will result in operations and maintenance savings due to the reduction in utility costs.
- A one-time grant of \$636,812 for Umpqua Community College (UCC) for land movement reparation for a large and dangerous slide and sink hole. Since UCC's property insurance does not cover land movement, the reparation would have left a large deficit in the college's finances. UCC will start the project as soon as funds become available.

The Subcommittee approved a number of projects that are part of the Public University Statewide Programs budget unit. These projects are:

- A total of \$5.5 million General Fund for a one-time distribution to Oregon Institute of Technology (OIT) for the Center of Excellence in Applied Computing and for expanding health-related clinical and laboratory facilities. OIT will use \$3 million to establish the new Center of Excellence and support the hardware, software, and related resources for the Center. Students will be trained in the new Center through targeted certificate and degree programming. The remaining \$2.5 million is for rural health initiatives starting in Southern Oregon. Programming will be in the areas of dental hygiene, applied behavior analysis, applied psychology, and the new doctoral program in physical therapy. Funds will be used for clinical and laboratory facilities.
- One-time funding of \$1 million General Fund is approved for distribution to Portland State University (PSU) for the Center for Women's Leadership. This funding is to support the New Leadership Oregon Program and will be used for student scholarships and activities to formalize a sustainable and expanded long-term future for the Center.
- In the 2019-21 budget for Public University Statewide Programs, the funding for the Dispute Resolution program was reduced. A \$349,000 General Fund increase will restore this reduction, bringing the total funding for the Dispute Resolution program to \$2,921,696 General Fund.
- One-time funding of \$427,083 General Fund was approved for distribution to Oregon State University (OSU) for a study to: (a) identify practical techniques for painting wind energy facilities that are scientifically shown to increase the visibility of the facilities to birds and prevent avian deaths; (b) evaluate the suitability of the techniques identified for use at wind energy facilities in the state; and (c)

evaluate the feasibility of implementing the techniques in a manner that complies with any applicable requirements of the Federal Aviation Administration. OSU should consult with the Oregon Department of Energy in undertaking this study. The study must also discuss the potential effects that the practical techniques identified may have on wildlife in this state other than birds. OSU shall report the study's findings to the interim committees of the Legislative Assembly related to agriculture and natural resources.

The Subcommittee approved projects that are part of the Statewide Public Services budget unit. These projects are:

- A one-time grant of \$150,000 General Fund for the Berry Research Initiative program located at the North Willamette Regional Extension Center. This program does research on cost-effective agricultural planting, growing, and harvesting. The funding will enable the program to assist strawberry growers with focus on invigorating the fresh-market industry for sustainability-minded growers. The funding will also enable four students to be mentored and contribute to research projects under the program.
- General Fund in the amount of \$2,680,000 for a one-time distribution to Oregon State University Wine Research Institute to increase its capacity to test more wine grapes, fruits, and other agricultural products that have been subject to smoke from wildfires. This testing provides growers with information on how severely their grapes or fruits have been impacted by wildfire smoke and whether they should be harvested and processed into wine. A portion of these funds will be used to enable research on wildfire smoke damage on agricultural products, and a portion will be used to remodel space for an analytical smoke research laboratory and for testing equipment, laboratory technicians, and support staff.

## **HUMAN SERVICES**

### **Oregon Health Authority**

The Subcommittee approved a General Fund appropriation of \$145,714 for the Oregon Health Authority (OHA) for one-time costs associated with pharmacist training and related activities by the Oregon State University College of Pharmacy. These costs result from the university's implementation of chapter 95, Oregon Laws 2019, which authorizes pharmacists to prescribe and dispense emergency "bridge" refills of insulin and related devices.

The budget includes \$300,000 General Fund and one position (1.00 FTE) for OHA to study behavioral health services provided by other state agencies. The subcommittee approved the following instruction related to this investment.

#### **BUDGET NOTE**

The Oregon Health Authority (OHA) shall study the behavioral health structures for services provided through state agencies and whether the structure adequately meets the current needs of the state as identified by the Alcohol and Drug Policy Commission strategic plan and the State Health Improvement Plan. OHA shall analyze the cost required to meet projected unmet needs, current revenue sources, and additional revenue options, including, but not limited to, taxes related to alcohol, income, and telecommunications. OHA shall report its findings to an interim committee of the Legislative Assembly related to behavioral health no later than February 1, 2022.

The budget includes \$958,626 General Fund and \$117,250 Other Funds expenditure limitation for debt service and cost of issuance of general obligation bonds for capital projects approved for the Oregon State Hospital (OSH). The approved projects include a new well water treatment facility and replacement of automated dispensing cabinets for prescription drugs. For cash-funded capital projects at OSH, the budget includes \$2.3 million, which is available from the federal American Rescue Plan Act, for deferred maintenance in Salem and Pendleton and equipment replacement in Salem and Junction City.

The budget includes the following adjustments to support OHA's cost of implementing policy bills passed late in the legislative session:

- \$14.9 million Other Funds expenditure limitation and 18 positions (18.00 FTE) for the transfer of the Health Insurance Marketplace from the Department of Consumer and Business Services to OHA (SB 65);
- \$5 million General Fund for developing behavioral health quality incentive metrics and other behavioral health system improvements (HB 2086);
- \$20.3 million Other Funds expenditure limitation for the Behavioral Health Housing Incentive Fund (HB 2316); and
- \$780,457 General Fund and four positions (2.84 FTE) for the review of health care mergers, acquisitions, and affiliation transactions (HB 2362).



The Subcommittee approved a budget-neutral reduction of \$300 million General fund and an increase in Other Funds expenditure limitation in the same amount in order to use federal American Rescue Plan Act State Fiscal Recovery Funds received by the Department of Administrative Services and transferred to the Oregon Health Authority for maintaining health-related services at the Oregon State Hospital.

### **Department of Human Services**

The Subcommittee approved an increase in Federal Funds expenditure limitation of \$1.8 million for the Department of Human Services (DHS) and authorized four positions (4.00 FTE) to administer the Senior Health Insurance Benefits Assistance Program (SHIBA), which is being transferred to DHS from the Department of Consumer and Business Services.

For administering shelter and feeding services for wildfire survivors, the Subcommittee approved \$76,488,018 General Fund on a one-time basis and authorized nine limited-duration positions (7.50 FTE). Of this amount, \$75 million is for programmatic expenditures and \$1,488,018 supports the limited-duration positions.

The Subcommittee approved a total of \$5.8 million General Fund for nutrition and anti-hunger programs, including \$4 million for Double-up Food Bucks, \$150,000 for the Oregon Hunger Task Force, and \$1.7 million for the Oregon Hunger Response Fund. Additionally, \$14 million Other Funds expenditure limitation was approved to allow the agency to use one-time federal American Rescue Plan Act State Fiscal Recovery funds received by the Department of Administrative Services and transferred to DHS for emergency food supply stabilization.

This measure includes an increase of \$99,503 Other Funds expenditure limitation for the DHS Aging and People with Disabilities program to allow the Department to hire one new permanent, full-time Administrative Specialist 3 position (0.50 FTE) to assist with the Senior Emergency Medical Services Innovation Program established by HB 2397 (2021). Position costs are funded through the DHS Quality Care Fund.

SB 5529, the primary 2021-23 budget bill for the Department of Human Services, includes a total of \$131 million total funds (\$44.3 million General Fund) for implementation of new rate models for Intellectual and Developmental Disabilities services. Effective July 1, 2021, a portion of the funds will be used to provide an across-the-board 3.2% rate increase. Effective July 1, 2022, the balance of the funds will be used to implement the new rate models at 80% of cost. The intent of the following budget note is to direct DHS to fully fund the new rate models at 100% of cost, which has an estimated additional 2021-23 cost of \$55.3 million total funds (\$28.5 million General Fund).

### **BUDGET NOTE**

The Department of Human Services' Office of Developmental Disabilities Services (ODDS) is directed to fully fund the new rate models that go into effect on July 1, 2022. As this action is intended to strengthen and enhance Home and Community Based Services, the ODDS shall use funds made available through the temporary 10% FMAP increase to cover the 2021-23 costs required for implementation, unless the U.S. Centers for Medicare and Medicaid Services determines this to be an ineligible use of those funds, in which case the Department is directed to submit a request to the Emergency Board for the

required funding. It is the Legislature’s intent to fully fund provider rates for adult and children’s group home services, day support services, employment services, attendant care, supported living, and non-medical transportation.

SB 749 (2021) appropriated \$467,993 General Fund, along with \$253,709 Federal Funds expenditure limitation and \$10,660 Other Funds expenditure limitation, to the DHS for the implementation of a new program to register providers of residential care referrals (referral agents). Because of how the agency accounts for shared services, funding authorization should also include a corresponding Other Funds expenditure limitation in DHS Shared Services. After review of SB 749, it was determined that this Other Funds expenditure limitation was inadvertently omitted from SB 749. The Subcommittee approved an Other Funds expenditure limitation increase of \$628,913 for DHS to correct this omission.

Other Funds expenditure limitation of \$95 million was approved for Employment-Related Day Care (ERDC) costs, including a new co-pay policy. The source of Other Funds for the ERDC program is funding transferred from the Department of Education’s Early Learning Division and includes American Rescue Plan Act funds specifically for early learning and child care related spending.

## **JUDICIAL BRANCH**

### **Oregon Judicial Department**

The Subcommittee approved \$721,500 General Fund for two new statutory circuit court judgeships (1.50 FTE) in the eleventh Judicial District and Deschutes County, for a total of nine circuit court judges for the district. The judgeships are statutorily-established in HB 3011 (2021). The judgeships would begin on January 1, 2022. County government will assume facility (courtroom and office space) and associated costs for the judgeships and staff. Additionally, the Subcommittee approved \$867,280 General Fund for six permanent full-time positions, including one Judicial Assistant, one Courtroom Clerk, and one back-office Clerk for each newly established judgeship (5.00 FTE). Judicial staff would begin on November 1, 2021.

The Subcommittee approved \$1.2 million General Fund on a one-time basis and authorized eight limited duration positions (6.58 FTE) for the expungement of criminal records for marijuana infractions.

For the non-bondable costs of capital construction projects, the Subcommittee approved, on a one-time basis:

- \$5 million Other Funds expenditure limitation for the Supreme Court Building. The revenue source is the American Rescue Plan Act State Fiscal Recovery Funds received by the Department of Administrative Services and transferred to the Judicial Department.
- \$250,000 of Other Funds expenditure limitation for the cost of issuing general obligation bonds for the Supreme Court Building Renovation. The revenue source is from the bond proceeds.

- \$3.5 million Other Funds expenditure limitation for planning and costs associated with replacement of the Curry County Courthouse. The revenue source is the American Rescue Plan Act State Fiscal Recovery Funds received by the Department of Administrative Services and transferred to the Judicial Department.
- \$169,827 Other Funds expenditure limitation for planning and costs associated with replacement of the Crook County Courthouse. The revenue source is the American Rescue Plan Act State Fiscal Recovery Funds received by the Department of Administrative Services and transferred to the Judicial Department.

The Subcommittee approved the following Other Funds expenditure limitations for the Oregon Courthouse Capital Construction and Improvement Fund and both state and local matching funds, with the difference between the state and local match related to the cost of bond issuance that is paid as part of the state match:

<b>Courthouse Project</b>	<b>State Match</b>	<b>Local Match</b>	<b>Total</b>
Benton County	\$20,730,000	\$20,383,129	\$41,113,129
Linn County	\$16,110,000	\$15,900,000	\$32,010,000
Crook County	\$11,885,000	\$11,700,000	\$23,585,000
Clackamas	\$1	\$1	\$2

The revenue to support state matching funds is General Obligation bonds (Article XI-G) authorized in SB 5505 (2021). The timing of the issuance of the bonds will occur late in the 2021-23 biennium and, therefore, there is no associated General Fund debt service related to the issuance for the 2021-23 biennium.

The Subcommittee provided the following instruction to the Judicial Department about the Clackamas County Courthouse project.

**BUDGET NOTE**

The Oregon Judicial Department (OJD), in coordination with Clackamas County, is requested to submit a report to the Joint Committee on Ways and Means, prior to the legislative session in 2022, on the design, build, finance, operation, and maintenance public-private partnership (P3) agreement(s) for the Clackamas County Courthouse, as well as the funding agreement between OJD and Clackamas County, related to constitutional and statutory requirements for state support and local matching funds for the Oregon Courthouse Capital Construction and Improvement Fund (OCCIF). The report is to include, but not be limited to:

- the legal sufficiency of the Clackamas County public-private partnership agreement(s), from the state’s perspective, pertaining to funding agreement requirements;
- estimated total cost of ownership to construct, occupy, and maintain the Clackamas County Courthouse;
- affirmation of county ownership of the Clackamas County Courthouse building and property;
- a final master funding agreement; and

- a long-term flow-of-funds for state and local matching deposits into, and withdrawals from, the OCCCIF.

The report may also include recommendations for statutory changes related to public-private partnership agreement(s) and the OCCCIF. The submission of this report is a prerequisite for the consideration of supplemental Other Funds expenditure limitation for the Clackamas County Courthouse project.

## **LEGISLATIVE BRANCH**

### **Legislative Administration Committee**

Funding is provided to the Legislative Administration Committee (LAC) for the Document Publishing and Management System (DPMS) project, including Other Funds expenditure limitation in the amount of \$4,310,000 for the cost of issuing general obligation bonds and for project costs. In addition, \$663,587 General Fund is provided to LAC for debt service on bonds issued during the 2021-23 biennium for the DPMS project.

## **NATURAL RESOURCES**

### **Department of Agriculture**

The Subcommittee approved several General Fund increases for the Department of Agriculture (ODA), totaling \$2,501,685. First, \$200,000 General Fund was added for the predator control program, which provides pass-through money to the U.S. Department of Agriculture Wildlife Services for predator control services in partnership with the Department of Fish and Wildlife and Oregon counties. This funding is provided on a one-time basis. Next, \$450,000 of one-time General Fund was provided for additional funding for the Department's Noxious Weed Control Program. Additionally, \$468,311 General Fund and the establishment of two permanent full-time positions (2.00 FTE) was approved for the Native Plant Conservation Program. The two Natural Resources Specialist positions will function as a Lead Botanist and a Conservation Biologist for the program and will allow for more focus on the administrative needs of the program and the development of State projects.

Finally, the Subcommittee approved two General Fund increases as part of a statewide investment in water-related priorities. First, \$883,374 General Fund and a permanent full-time Natural Resource Specialist 3 (0.92 FTE) was added to support water quality work in small watersheds. Part of this work includes land condition assessments for compliance with agricultural water quality rules. Of the amount provided, \$650,000 will be used to contract with local partners, like Soil and Water Conservation Districts or watershed councils, to provide technical support to local landowners. Secondly, \$500,000 of one-time General Fund was approved to continue work related to the State's groundwater management areas (GWMA). The Department will use \$250,000 of this amount to contract with a facilitator to coordinate a task force around the Lower Umatilla Basin GWMA with state agencies and local partners. The other \$250,000 of one-time funds will be used to complement existing research the Department is doing related to fertilizers and nitrate levels that are impacting groundwater.

## **Department of Energy**

The Subcommittee approved funding for two new grant programs to be operated by the Department of Energy in 2021-23. First, a one-time General Fund appropriation of \$10 million was provided for the solar rebate program established in HB 2618 (2019). The \$10 million will be deposited into the Rooftop Solar Incentive Fund for the issuance of rebates and to pay for implementation and administration of the solar rebate program. Of the \$10 million, almost \$9.2 million is available for rebates through Special Payments with \$803,822 estimated for administration. The Department will hire three limited duration positions, a half-time Program Manager 3 and two Office Specialist 2 positions (2.50 FTE). Personal Services costs are anticipated to be \$364,182, with \$439,640 for services and supplies that include IT upgrade and indirect costs. This program was previously provided \$2 million of one-time General Fund in 2019-21.

Second, the Subcommittee approved \$10,831,296 General Fund for the Department to establish a new grant program designed to incentivize residential and commercial energy efficiency for 2020 wildfire survivors who are rebuilding and repairing dwellings and other structures that were destroyed or damaged in the 2020 wildfires. Of the total, \$10 million is provided for grants and \$831,296 General Fund is for administration of the program. The Department will hire three full-time limited duration positions, an Accounting Tech 3 and two Program Analysts, along with utilizing existing personnel to assist with program establishment, implementation and oversight.

The Subcommittee approved \$247,974 Other Funds expenditure limitation for the Department to conduct the study on small scale renewable energy projects that is outlined in HB 2021 (2021). The position authority for this study, an Economist 4, was provided in the budget report for HB 2021, however the Other Funds limitation provided in that measure is solely related to the Community Renewable Energy Project grant program established in the bill. The Economist position tasked with doing this study should not be paid from administrative grant funds but with Other Funds from the Department's Energy Supplier Assessment revenue.

The Subcommittee approved \$3.5 million for General Fund debt service to cover bond payments due in April 2022 and 2023 for the Small-Scale Energy Loan Program (SELP) Fund. This debt service is due to losses sustained from loans dating back to 2007. The total projected overall cash flow shortfall in the SELP Fund is currently around \$5 million but is dynamic and may be reduced further based on revenue received.

### **Department of Environmental Quality**

The Subcommittee approved several General Fund appropriations totaling \$4,339,481 to the Department of Environmental Quality (DEQ). First, as part of an overall statewide investment in water-related priorities, \$350,000 General Fund was provided to begin initial scoping and design of a database framework of water and infrastructure data. While this is provided as a one-time appropriation, this is likely to become a significant information technology project, which will need to be reviewed by the Legislative Fiscal Office and the State Chief Information Office as part of the Stage Gate process. DEQ will need to develop a funding request for further development of this database framework.

Also included is \$420,099 General Fund to backfill the costs of positions within DEQ's Section 401 Hydropower Program. This program, named after Section 401 of the federal Clean Water Act, issues certifications for hydroelectric projects as part of a licensing process in conjunction with the Water Resources Department for hydroelectric water rights. Fee revenue for this program was insufficient to maintain operations, so a fee increase had been proposed in HB 2143 (2021). However, the increase to the annual fees in that measure were amended to not take effect until the 2023-25 biennium, resulting in a revenue shortfall for DEQ. This one-time General Fund has been provided in order to maintain operations through the 2021-23 biennium until the fee increase becomes effective.

Additionally, \$569,382 General Fund was approved on a one-time basis to cover the administrative costs of a new financial assistance program that will provide funding to public agencies or qualified institutions for the repair, replacement, upgrade, or evaluation of residential or other on-site septic systems. The Department will hire two full-time limited duration positions, a Program Analyst 2 (1.00 FTE) and a Natural Resource Specialist 4 (1.00 FTE), to provide funding coordination, oversight, outreach, and assistance to local entities. DEQ will need to determine the most efficient and effective method of distribution for this financial assistance program, intended to assist wildfire impacted communities, including the possibility of providing low-interest loans, forgivable loans, or, potentially, grants. The funding for this financial assistance program will come from the Department of Administrative Services through a revenue transfer of federal American Rescue Plan Act State Fiscal Recovery Fund monies. The Subcommittee approved \$15 million of Other Funds expenditure limitation for this program. Because federal ARPA funding can be spent through 2026, it is anticipated that DEQ will need to request General Fund and position authority to continue administering the program for the 2023-25 biennium and beyond if necessary.

Finally, \$3 million of one-time General Fund was provided for DEQ's cost share with the Federal Emergency Management Agency for the hazardous waste and structural debris clean up related to the 2020 wildfires.

The Subcommittee approved \$4.3 million Other Funds expenditure limitation to expend a portion of the proceeds from \$10 million in Article XI-H general obligation bonds requested in SB 5505 (2021). The bond proceeds will replenish the Orphan Site Account which is used to fund investigations and cleanup at sites where parties who are responsible for the pollution are unknown, unable or unwilling to perform cleanup-related work. The Orphan Site Account is also used to meet Oregon's obligations at federally funded Superfund sites. Oregon must contribute 10% of the Environmental Protection Agency's cleanup costs and pay 100% of long-term maintenance costs at federally funded Superfund sites. DEQ typically spends the proceeds over two consecutive biennia before making another request for additional Orphan Site bonds. Of the

limitation provided, \$300,000 is for costs of issuing the bonds. Also approved is \$395,030 General Fund for the debt service associated with the bonds, which are scheduled to be sold in May 2022 and March 2023.

Finally, the Subcommittee approved the reduction of \$300,000 Other Funds intended for the cost of bond issuance that was mistakenly included in SB 5516 (2021), the Department's budget bill, under the Debt Service section. The limitation for the cost of issuance is appropriately included above, along with the \$4 million in bond proceeds, within the Land Quality program where it will be expended.

### **Department of Fish and Wildlife**

The Subcommittee approved several General Fund appropriations for the Department of Fish and Wildlife totaling \$1,776,635. First, one-time General Fund of \$545,000 was provided for deposit into the Conservation and Recreation Fund established by HB 2829 (2019) in order to match expected donations, from sources other than a government entity that are received into the fund in the 2019-21 biennium. This estimate is based on anticipated donations expected to be received by June 30, 2021. If the amount of donations falls short of this appropriation, the difference can be applied to the General Fund that is being set aside by the Emergency Board through HB 2171 (2021) to match, up to \$1 million, donations received in 2021-23. A corresponding increase in Other Funds expenditure limitation of \$1,090,000 was also approved to allow the Department to spend the monies that have been deposited into the fund. Next, \$200,000 General Fund was approved for the predator control program, which provides pass-through money to the U.S. Department of Agriculture Wildlife Services for predator control services in partnership with the Department of Agriculture and Oregon counties. This appropriation is considered one-time only, with a similar one-time appropriation provided to the Department of Agriculture.

Additionally, the Subcommittee approved \$585,056 General Fund and position authority for three permanent full-time Natural Resource Specialist 2 positions (3.00 FTE) for the Western Oregon Streams Restoration program. The positions and funding will restore the program's capacity to provide technical support for the implementation of habitat restoration projects in western Oregon. The program was reduced in 2017 due to General Fund shortfalls. Included in the total is \$80,970 in services and supplies. Finally, \$446,579 General Fund was added on a one-time basis for the payment of debt service associated with Article XI-Q General Obligation bonds to finance \$5 million of capital improvement projects on non-hatchery related facilities. The Subcommittee also approved \$105,000 Other Funds expenditure limitation for the cost of issuance related to the bonds. The \$5 million Other Funds expenditure limitation is provided in the Capital Construction bill (SB 5506). Finally, the Subcommittee approved \$5 million of Other Funds expenditure limitation in order to expend federal American Rescue Plan Act Coronavirus State Fiscal Recovery Fund monies, that will be received by the Department of Administrative Services and transferred to the Department for funding of fish screens and fish passage projects.

### **Oregon Department of Forestry**

General Obligation bonds that are authorized to be issued in the 2021-23 biennium are anticipated to produce \$4,820,722 in net proceeds to address maintenance needs of facilities owned by the Department of Forestry. This amount represents 2% of the replacement value of these facilities. The Subcommittee approved an increase of \$4,820,722 Other Funds Capital Improvement expenditure limitation for the Capital Improvement program for the expenditure of the bond proceeds. An increase in the Other Funds expenditure limitation for the Agency Administration program of \$64,229 was approved for the cost of bond issuance. For the Debt Service program, the General Fund appropriation is increased by \$260,395 and Other Funds expenditure limitation is increased by \$255,807 for the payment of debt service related to the bonds.

The Subcommittee approved the establishment of a \$5 million General Fund appropriation to the Department's Private Forests Division to provide grants to plant nurseries to develop tree seedling capacity in order to increase the supply of tree seedlings for replanting needs due to the 2020 wildfire season.

Also approved was an increase of \$49,196 Other Funds expenditure limitation for the Department's Agency Administration Division, to pay issuance costs for bonds that will be issued to replace the agency's facility in Toledo, Oregon. General Fund for the Debt Service program was increased by \$105,260 and Other Funds expenditure limitation is increased by \$146,257 for debt service.

To support rangeland protection associations, the Subcommittee approved \$666,937 General Fund in the Fire Protection Division and authorized the establishment of three positions (2.25 FTE). Senate Bill 590 (2021) expands the definition of rangelands to include those lands that are used primarily for cultivating crops. Including these lands will allow for additional associations to be formed, providing access to assistance programs from the State Forester with organizing, training, acquisition of equipment, and insurance obligations.

The Subcommittee approved increases of \$686,300 General Fund and \$457,530 Other Funds expenditure limitation, and authorized establishment of three permanent full-time positions (3.00 FTE) for the Department's Private Forests Division. The three positions, a riparian and aquatic monitoring specialist, a forest roads specialist, and a geotechnical specialist, will support the administration of the Forest Practices Act and provide technical assistance to forest landowners to ensure sound forest management and ecological protection.

### **Department of Geology and Mineral Industries**

The Subcommittee approved \$328,710 General Fund for the Department of Geology and Mineral Industries to align the budget and actual expenditures with the appropriate source of funding for payment of State Government Service Charges. The Department's budget had assumed that these charges would be paid with a mix of General Fund, Other Funds, and Federal Funds. However, the Other Funds and Federal Funds that the Department receives are related to specific projects or grants and, therefore, are not eligible to be used for payment of these central-service charges. With the additional General Fund, there is a corresponding reduction to Other Funds expenditure limitation of \$173,464 and to Federal Funds expenditure limitation of \$155,246.



### **Department of Land Conservation and Development**

The Subcommittee approved \$2,205,418 General Fund on a one-time basis and authorized one permanent position (1.00 FTE) for the Department of Land Conservation and Development (DLCD) to provide assistance and grants to local governments for planning and capacity-building related to the assessment of housing need, increasing housing supply and choice (particularly middle housing), including studies of infrastructure constraints, and support of local housing coordinators.

Additionally, the Subcommittee approved \$1,306,912 General Fund on a one-time basis for DLCD to study and make legislative recommendations, in consultation with the Housing and Community Services Department, on the incorporation of a Regional Housing Needs Analysis (RHNA) into state and local planning programs. The Subcommittee authorized one limited duration position to support this work. The approved funding includes \$1,146,100 for studies and stakeholder outreach to examine the following areas: (1) data needed, including but not limited to race/ethnicity, to improve estimations of housing need; (2) definition of “regions” in the state; (3) how a RHNA can be used to address equity, discrimination, and segregation in housing supply; (4) incorporation of a RHNA into the projection of local housing need as well as those actions and policies adopted to address housing shortages; and (5) any other issues appropriate to the implementation of the RHNA.

### **BUDGET NOTE**

The Department of Land Conservation and Development, in consultation with Oregon Housing and Community Services, shall provide an initial legislative report no later than February 1, 2022 and a final legislative report no later than December 31, 2022 on efforts to develop a legislative proposal for incorporation of a regional housing needs analysis into future state and local planning processes.

### **Land Use Board of Appeals**

The Subcommittee approved a one-time General Fund appropriation of \$50,000 for the Agency to begin the business systems analysis, requirements gathering, and business case development work needed to develop and implement an electronic filing and case management system.

### **Oregon Parks and Recreation Department**

For the Oregon Main Street Program, the Subcommittee approved \$10,214,553 Other Funds expenditure limitation in the Department’s Community Support and Grants program. The Division will spend \$10 million in net proceeds from Lottery bonds on the program and \$214,553 on cost of bond issuance. Lottery Funds expenditure limitation is increased by \$414,812 for the payment of debt service.

The Subcommittee approved an increase of \$750,000 Other Funds expenditure limitation in the Department’s Central Services Division, for the cost of bond issuance of General Obligation bonds for State Parks capital improvement and renewal projects. The bonds will be used to finance

improvements to facilities in multiple Oregon state parks. The projects include improvements or replacements to facilities and related infrastructure such as buildings, water systems, septic and sewer systems, electrical systems, restroom and shower facilities, as well as modernizing and expanding campgrounds. The Subcommittee also established a \$2,232,560 General Fund appropriation for payment of debt service associated with the bonds.

General Fund of \$316,480 and the authorization of one limited-duration Operations and Policy Analyst position (0.88 FTE) for the Department's Director's Office was approved by the Subcommittee. The funding supports the position and provides for contracted consulting services to enable the agency to establish statewide standards for the design of recreation projects as directed by House Bill 2171 (2021). A portion of the funding supports travel and other expenses of the Outdoor Recreation Advisory Committee.

### **Department of State Lands**

The Subcommittee approved \$1.1 million Other Funds expenditure limitation for the Department of State Lands to make grants from the Oregon Ocean Science Trust Fund established by ORS 196.567. This grant program provides competitive grants in consultation with the Oregon Coordinating Council on Ocean Acidification and Hypoxia as described in House Bill 3114 (2021).

### **Oregon Watershed Enhancement Board**

The Subcommittee approved a total of \$19,750,000 General Fund for three grant categories to address wildfire recovery and restoration activities in affected areas of the state on a one-time basis. An additional \$670,000 General Fund and three limited duration positions (3.00 FTE) was provided to the agency to pay the operational and administrative costs of overseeing the grants. The three positions are an Operations and Policy Analyst 4, Natural Resource Specialist 4, and an Accountant 1. The three grant categories are detailed below.

- \$10 million General Fund was approved for OWEB to make grants for riparian and upland restoration, protection of water quality. Grants in this category will focus on restoring riparian and upland areas via broadly applied restoration approaches such as replanting. OWEB will leverage its granting infrastructure to develop a focused restoration grant offering, with an emphasis on upland and riparian plantings and associated treatments, during the 2021-23 biennium for areas impacted by the 2020 wildfires. These grants will support work by eligible local partners to restore riparian and upland areas in locations that will pose substantial threats to water quality due to post-fire erosion if not restored. The grant-making process will prioritize areas where water quality impacts could negatively affect drinking water supplies and/or important aquatic habitat. Process steps will include project solicitation using a tailored grant application, evaluation by an interagency team of experts, grant award, project implementation, and post-project reporting about outputs and outcomes related to the project's success at addressing post-fire natural resources concerns and community benefits associated with the project.

- \$5 million General Fund was authorized for OWEB to make grants for floodplain restoration and reconnection. Grants in this category will focus on more complex projects that restore and reconnect rivers to floodplain areas, re-establishing hydrologic and ecological functions in ways that help reduce post-fire impacts. OWEB would leverage its granting infrastructure to develop a focused restoration grant offering, with a focus on restoring and reconnecting floodplain areas, during the 2021-23 biennium for areas impacted by the 2020 wildfires.
- \$4 million General Fund was approved for OWEB to pass-through to the Eugene Water and Electric Board (EWEB) for restoration and targeted acquisition of high-priority McKenzie riparian/floodplain properties. This funding will support work by EWEB, in coordination with its local partners, to restore and/or acquire riparian and floodplain areas to reduce risks from post-fire impacts.

### **Water Resources Department**

The subcommittee approved a \$250,000 General Fund appropriation to the Water Resources Department (WRD) for distribution as a grant to the Nesika Beach Ophir Water District. The District currently serves approximately 560 connections which includes mostly residential homes and some businesses. The funds will be used to extend a water pipeline to a new firehouse near Ophir.

The Subcommittee approved an increase of \$40,598,860 in Other Funds expenditure limitation established in the Department's Technical Services Division to make grants and loans and to pay the cost of bond issuance of Lottery Bonds. Bond proceeds will be deposited into the Water Supply Development Fund established under section 3, chapter 784, Oregon Laws 2013. Of the total, \$30 million Other Funds expenditure limitation is for Water Supply Development grants and loans to evaluate, plan, and develop in-stream and out-of-stream water development projects that repair or replace infrastructure to increase the efficiency of water use; provide new or expanded water storage; improve or alter operations of existing water storage facilities in connection with newly developed water; create new, expanded, improved, or altered water distribution, conveyance, or delivery systems in connection with newly developed water; allocate federally stored water; promote water reuse or conservation; provide streamflow protection or restoration; provide for water management or measurement in connection with newly developed water; and, determine seasonally varying flows in connection with newly developed water. Other Funds expenditure limitation in the amount of \$10 million is for bond proceeds allocated to the fund for the Deschutes Basin Board of Control Piping Project. The funding will be combined with additional state, local, and federal funds to allow the Board of Control to pipe currently open canals. The remaining \$521,689 is for the payment of bond issuance costs.

Additionally, an increase of \$28,443,481 Other Funds expenditure limitation was established for the Department's Technical Services Division to make grants and loans and to pay the cost of bond issuance of Lottery Bonds. Bond proceeds will be deposited into the Water Supply Fund established by section 10, chapter 906, Oregon Laws 2009. Of the total increase, \$443,481 is for the cost of bond issuance and \$14 million is for a grant to the Wallowa Lake Irrigation District for the rehabilitation of the Wallowa Lake Dam. The remaining \$14 million is for a grant to the City

of Newport for remediation of the Big Creek Dams, including design, environmental permitting, and construction of a seismically sound replacement dam.

The Subcommittee approved an increase of \$3,514,230 Lottery Funds expenditure limitation for the Department to pay debt service on Lottery bonds anticipated to be issued during the 2021-23 biennium.

The Subcommittee approved \$500,000 General Fund on a one-time basis for the Department's Technical Services Division to make grants for the qualifying costs of planning studies performed to evaluate the feasibility of developing water conservation, reuse, or storage projects as described in chapter 13, Oregon Laws 2008.

The Subcommittee approved \$500,000 General Fund on a one-time basis for distribution as a grant to Umatilla County for the purpose of implementing agreements of the Columbia River - Umatilla Solutions Task Force. The Task Force objectives include the identification of options to increase the utilization of Columbia River water for in-stream and out-of-stream uses in the Umatilla Basin without negatively impacting instream flow need for fish species, that are technically, economically, legally, and politically feasible and that provide both economic and environmental benefits that support other water-related planning efforts.

The Subcommittee approved \$500,000 General Fund on a one-time basis to engage Oregon Consensus to convene a process to develop a framework and path for state-supported water planning and management at the water region/basin level. Funds will provide facilitation support and may include funding for regional convenings and for other entities and organizations to participate in the process as appropriate.

#### **BUDGET NOTE**

Oregon Water Resources Department is directed to use provided funding to contract with Oregon Consensus to convene a workgroup comprised of a balanced membership including, but not limited to, conservation groups, agricultural water users, municipal water users, environmental justice organizations, tribal interests, and state agencies including Water Resources Department and the Oregon Department of Fish and Wildlife to consider regional water management opportunities that build on the 100 Year Water Vision and further the goals of the Integrated Water Resources Strategy.

The General Fund appropriation made to the Director's Office is increased on a one-time basis by \$200,000 to support the establishment of a limited-duration position (1.00 FTE) and associated costs for the coordination and administration of Oregon Consensus work with regional water planning and associated convenings. An additional \$450,000 General Fund was approved on a one-time basis and one limited-duration position (1.00 FTE) was authorized to provide facilitation, document development, and staff support for the 2022 update of the Integrated Water Resource Strategy. Finally, \$350,000 General Fund was approved on a one-time basis to allow the agency to contract with a third party for a business case assessment that examines the economic value that the use of water provides in Oregon, the impacts of not investing in Oregon's natural and built water infrastructure, and the associated need for continued infrastructure investments. The intended audience for the report

would include elected officials, local and state government, and the general public. The report should show the impact of investment, or underinvestment, in water and its impact on economies.

The Subcommittee approved \$200,000 General Fund to support current participating entities in the Place-Based Planning program. These include the Harney County Watershed Council in the Malheur Lake Basin, Union County in the Upper Grande Ronde Sub-Basin, Gilliam Soil and Water Conservation District in the Lower John Day Sub-Basin, and the Seal Rock Water District in the Mid-Coast Basin. Place-based planning is voluntary, locally led, and tailored to specific water resource needs and challenges of the location in which planning efforts take place. Participating communities are required to build a collaborative and inclusive process; gather information to understand water resources and identify knowledge gaps; examine current and future water needs for people, place, and nature; identify and prioritize strategic, integrated solutions to address water needs; and develop a place-based integrated water resources plan. Funding is provided for the 2021-2023 biennium only.

Other Funds expenditure limitation is increased by \$500,000 to allow the Department to make expenditures from the Domestic Well Remediation Fund established by HB 3092 (2021). The funding will be used to enter into contracts, intergovernmental agreements, or other arrangements with public or private entities to collaboratively award grants for costs or services related to replacing, repairing, or deepening domestic personal use wells affected by declining ground water levels resulting from overallocation of ground water within the Greater Harney Valley Groundwater Area of Concern.

The Water Resources Department currently has a significant backlog in the processing of contested cases related to water rights decisions. To address this issue, the Subcommittee approved a one-time increase of \$2.2 million General Fund and authorized one limited-duration position (1.00 FTE) to facilitate the referral and completion of administrative hearings or other procedures to alleviate the backlog.

Several activities were approved for funding from American Rescue Plan Act State Fiscal Recovery Fund funds received by the Department of Administrative Services and transferred to WRD. Other Funds expenditure limitation for the department is established or increased for the expenditure of these funds as follows:

- \$6 million for a grant to Umatilla County for the Ordnance Project. The Ordnance Project is the third and final regional Columbia River Project of those initially proposed in 2015. This project provides water supplies to industrial, domestic, and food production uses in the central project region. The other 2 projects (East Project and West Project) were completed in 2020. The Ordnance project includes enough water to restore 20,000 acres of farmland and stabilize and restore the Ordnance Alluvial and Ordnance Basalt Critical Groundwater Area aquifers to ensure drought and climate change resiliency in the mid-Columbia region of Oregon.
- \$1 million to expand support and development of place-based planning efforts of communities for specific water resource needs and challenges of the location in which planning efforts take place to build a collaborative and inclusive process; gather information to

- understand water resources and identify knowledge gaps; examine current and future water needs for people, place, and nature; identify and prioritize strategic, integrated solutions to address water needs; and develop a place-based integrated water resources plan.
- \$2 million for deposit into the newly created Water Well Abandonment, Repair and Replacement Fund established by House Bill 2145 (2021). The fund is used to support a program at the Department to provide financial assistance to permanently abandon, repair, and replace water wells used for household purposes when deficiencies in well construction might result in water waste, cause contamination, or provide a detriment to public health or safety. In conjunction with this, an Other Funds limitation of \$2.1 million is provided to the agency for the expenditure of monies deposited in the fund from the American Rescue Plan Act and other sources.
  - \$500,000 to create a program to work with local governments to find and assist with funding to meet fish passage requirements for dam upgrade projects.
  - \$3 million for the Department to support fee-based programs during the 2021-23 biennium and to provide facilitation for stakeholder engagement as the Department works with stakeholders to develop more sustainable, long-term funding mechanisms to support these programs.
  - \$4 million for the Department to contract for professional engineering services to perform flood methodology and inundation assessments for dams and engineering analyses on dams.
  - \$3 million for the Department to support surface water and ground water data collection field equipment utilized to inform water management and planning that includes, but is not limited to, upgrades to gaging stations, adding observation wells in priority basins and updating aging hydrographic equipment.

To make expenditures from the Domestic Well Remediation Fund established by HB 3092 (2021), \$500,000 Other Funds expenditure limitation was approved. This fund is used to reimburse owners of domestic water wells in the Greater Harney Valley Groundwater Area of Concern for certain costs of replacing, repairing, or deepening domestic water wells affected by declining ground water levels.

## **PUBLIC SAFETY**

### **Department of Corrections**

The Subcommittee approved an increase in Other Funds expenditure limitation of \$1,034,567 for the cost of issuance of \$88,205,000 in Article XI-Q bonds for the Department of Corrections' deferred maintenance program, for the electronic health records system, and for off-net telephone infrastructure. Bonds will be issued in October 2021 and in May 2022. New debt service totaling \$10,386,522 General Fund and \$700,870 Other Funds expenditure limitation was approved for the Department's planned 2021-23 bond issues.

The Subcommittee approved two-year Other Funds expenditure limitation for \$13,400,000 of Article XI-Q bond proceeds to implement an electronic health records system for the Department of Corrections. To support the implementation of a voice over internet protocol (VoIP)

telephone system in ten of the agency's prisons, the Subcommittee approved \$262,227 Other Funds expenditure limitation and one position (1.00 FTE). The Other Funds revenue for this expenditure is from the proceeds of Article XI-Q bonds issued for the project.

The Subcommittee approved the expenditure of \$8,658,704 Other Funds from the American Rescue Plan Act (ARPA) State Fiscal Recovery Funds to implement or complete the following projects in the 2021-23 biennium:

- Modernize and expand the adult in custody (AIC) computing platform, \$1,262,204
- Purchase new vehicles and equipment in Distribution Services, \$1,325,000
- Purchase body scanners for opioid detection, \$1,071,500
- For the non-bondable costs of the electronic health records project, \$5,000,000

A technical adjustment was approved in the Department's Operations and Health Services programs to increase Other Funds expenditure limitation by \$49,173,337 and reduce General Fund in the same amount. This adjustment allows the Department of Corrections to offset COVID-19 pandemic-related expenses incurred during the first six months of the 2021-23 biennium using federal Coronavirus Aid, Relief, and Economic Security (CARES) Act funding received by the Department of Administrative Services and transferred to the Department of Corrections. Quarterly allotment plans may need adjustment during the 2021-23 biennium depending on receipt of federal reimbursement from FEMA. Additionally, a net-zero technical adjustment was approved to correct a reference to ARPA in sections 216-217 of the bill.

The Subcommittee approved a budget-neutral reduction of \$800,000,000 General Fund and an increase in Other Funds expenditure limitation in the same amount in order to use American Rescue Plan Act State Fiscal Recovery Funds received by the Department of Administrative Services and passed through to the Department of Corrections for maintaining public safety services.

To provide funding to county-operated parole and probation programs that will lose fee revenues upon passage of SB 620 (2021), the Subcommittee approved the appropriation of \$10 million General Fund to the Department's Community Corrections program for distribution to counties. This funding will be allocated to counties based on the grant-in-aid formula currently in place for the 2021-23 biennium.

The following budget note providing direction to the Department of Corrections was approved.

### **BUDGET NOTE**

The Department of Corrections is directed to return to the Public Safety Subcommittee of the Joint Committee on Ways and Means during the 2022 legislative session with a written report on the Office of the Inspector General (OIG). This report is to provide a broad overview of the OIG's role and responsibilities within the Department, and detail the missions, activities, and outcomes achieved in each of the OIG's operating programs: the Special Investigations Unit, the Security Threat Management Unit, the Central Intelligence Unit, the Hearings Unit, the Special Programs Unit, and the Research Unit. Additionally, the Department is directed to revise its Key Performance Measures #4 and #7 to include statistics on the number of complaints brought by adults in custody against DOC staff, the outcomes of those complaints, and any disciplinary actions required. The revised Key Performance Measures are to be developed and established for consideration by the Public Safety Subcommittee during the 2023 legislative session.

### **Criminal Justice Commission**

The Subcommittee approved \$650,000 General Fund for the Family Preservation Project operating at the Coffee Creek Correctional Facility. The Criminal Justice Commission will administer payments for this program, which is provided by the YWCA of Greater Portland. The Subcommittee provided the following direction to the Commission.

### **BUDGET NOTE**

The Family Preservation Project strengthens family ties by providing services and supports to incarcerated parents and their minor children. The program operates at the Coffee Creek Correctional Facility in Wilsonville and is provided by the YWCA of Greater Portland. The Criminal Justice Commission (CJC) is directed to work with the Department of Corrections (DOC) and the YWCA of Greater Portland to track the program's outcomes for incarcerated adults and their minor children, its effect on successful parent re-entry into society upon release from prison, its effect on reducing recidivism, and any other pro-social program outcomes as determined by DOC, CJC, and the YWCA of Greater Portland. CJC shall report to the Legislature on Family Preservation Program outcomes at least annually during a legislative session.

SB 973 (2019) created the Improving Peoples' Access to Community-based Treatment, Supports and Services (IMPACTS) Account for making grants to counties and federally-recognized Indian tribes for community supports and services for individuals with mental health or substance abuse disorders leading to their involvement with the criminal justice system. The Subcommittee approved \$10 million General Fund on a one-time basis to recapitalize the account and provided the Criminal Justice Commission with \$10 million of Other Funds expenditure limitation for making grant awards.

To continue the legal services pilot program established by HB 2631 (2019) operating at the Coffee Creek Correctional Facility through its sunset date of December 2021, the Subcommittee approved \$500,000 General Fund on a one-time basis. The Criminal Justice Commission will administer payments for this program, which is operated by the Oregon Justice Resource Center.



The Subcommittee approved \$4 million General Fund on a one time basis, provided an additional \$228,395 General Fund on an ongoing basis, and established one permanent, ongoing position (1.00 FTE) for the Criminal Justice Commission (CJC) to establish a new restorative justice grant program. The goal for this program is to develop new restorative justice services and to strengthen existing non-profit organizations that are leaders in restorative justice practices.

### **Department of Justice**

The Subcommittee approved \$6 million General Fund on a one-time basis for the Crime Victims and Survivor Services Division and for Child Abuse Intervention Centers, which conduct forensic interviews, medical examinations, treatment, mental health treatment, and referral and/or coordination of other related services. The Department of Justice's Advisory Council on Child Abuse Assessment is to review and approve supplemental funding requests by Child Abuse Intervention Centers based upon the specific needs of each individual Center. Additionally, the Subcommittee approved \$5 million General Fund on a one-time basis for the Crime Victims and Survivor Services Division to assist victims of domestic violence and sexual assault with housing needs.

For bias crimes response by the Civil Rights Unit, the Subcommittee approved \$2 million General Fund and authorized six permanent full-time positions (5.25 FTE). The package includes \$995,269 of associated services and supplies.

The Subcommittee approved \$1.7 million General Fund in services and supplies for the Defense of Criminal Convictions for forecasted caseload changes. The Department of Administrative Services is requested to unschedule the entire amount pending the agency providing the Legislative Fiscal Office with a completed methodology for forecasting and budgeting the Defense of Criminal Convictions caseload.

The Subcommittee approved \$1.3 million General Fund on a one-time basis for the Crime Victims and Survivor Services Division to provide supplemental pass-through support to the Oregon Crime Victims Law Center.

To support the Fair Housing Enforcement initiative, the Subcommittee approved \$447,784 Other Funds expenditure limitation and authorized one position (0.88 FTE) in the General Counsel Division. The revenue source is from legal service billings to the Bureau of Labor and Industries.

The Subcommittee approved \$214,439 General Fund for the Criminal Justice Division to backfill the loss of a federal grant from the U.S. Office of Juvenile Justice and Delinquency Prevention for the Internet Crimes Against Children program. The funding will allow for the continued investigation and prosecution of internet crimes against children.

Finally, the Subcommittee approved \$218,003 General Fund and authorized one permanent full-time Program Analyst 2 position (0.88 FTE) for the Crime Victims and Survivor Services Division to establish an Appellate Advocate position. This position will assist victims of crime with the appellate process and, in particular, the *Ramos v. Louisiana* decision on non-unanimous jury trials.

### **Oregon Military Department**

The Subcommittee approved an increase in Other Funds expenditure limitation totaling \$484,160 for the cost of issuance of \$25,475,000 in Article XI-Q bonds for the Oregon Military Department. Bond proceeds in the amount of \$10 million will re-capitalize the State Preparedness and Incident Response Equipment (SPIRE) grant program. Bond proceeds in the amount of \$14,990,840 will fund armory service life extension projects in Ashland and Corvallis, and construction of a new readiness center in Washington County. Bonds will be issued in May 2022 and in March 2023. New debt service totaling \$2,151,329 General Fund was approved for the Department's planned 2021-23 bond issues.

The Subcommittee approved Other Funds expenditure limitation of \$10 million for the State Preparedness and Incident Response Equipment (SPIRE) grant program. The Other Funds revenue for this expenditure is from the proceeds of Article XI-Q bonds issued for re-capitalizing the grant fund.

For deferred maintenance projects at the Military Department's 37 armories, the Subcommittee approved \$6,720,919 General Fund and provided \$6,720,919 Federal Funds expenditure limitation for expenditure of federal matching dollars. Projects include boiler, roof, and HVAC repairs and replacements; fire protection alarm panel, ventilation system, and door control repairs and replacements; and maintenance of parking lots, siding, windows, and sewer systems.

### **BUDGET NOTE**

The Oregon Military Department is directed to report to the Joint Committee on Ways and Means on its ten-year capital construction plan prior to the February 2022 legislative session. The report shall describe the process by which the annual Installation Status Report required by the U.S. Army is prepared, its relationship to the ten-year capital plan, the permissible uses of Federal Military Construction Funds and the process for securing use of those funds, and the factors that inform the prioritization of recommended armory service life extension projects. This report should also include analysis and recommendations for inclusion of labor standards related to work performed by women, minority individuals, and veterans and apprenticeship utilization in construction contracts.

To provide matching funds for the Federal Emergency Management Agency's (FEMA) Hazard Mitigation Program, the Subcommittee approved \$20 million General Fund on a one-time basis for the Office of Emergency Management.

### **Oregon State Police**

The Subcommittee approved Other Funds expenditure limitation of \$1,429,311 for the cost of issuance of \$111,635,000 in Article XI-Q bonds for three major Oregon State Police constructions projects: expansion of the Central Point Office, construction of a new forensic laboratory and

medical examiner's office, and a Patrol area command office in Springfield. Bonds will be issued in October 2021, May 2022, and March 2023. New debt service totaling \$2,674,818 General Fund was approved for the Department's planned 2021-23 bond issues.

The Subcommittee approved the expenditure of \$2,739,772 Other Funds from the American Rescue Plan Act (ARPA) to implement or complete the following Oregon State Police projects in the 2021-23 biennium:

- For the non-bondable costs of the Central Point Office expansion, the Springfield Forensic Lab and Medical Examiner office construction project, and the Springfield Patrol Area Command construction project, \$1,051,296
- For capital renewal and deferred maintenance at the Ontario and Albany Patrol Offices, \$580,476
- For safety improvements at various Patrol offices statewide, \$1,108,000.

A net-zero technical adjustment was approved to correct a reference to ARPA in sections 218-223 of the bill.

To complete the Law Enforcement Data System modernization project (LEDS 20/20), the Subcommittee approved \$2,789,991 General Fund to add the agency's Sex Offender Registry database to the LEDS system.

To enable the Drakes Crossing Rural Fire Protection District (RFPD) to draw down federal funding from FEMA, the Subcommittee provided \$5,000 General Fund to the Office of the State Fire Marshal on a one-time basis. This funding will be passed through to the Drakes Crossing RFPD for its FEMA matching payment.

#### **Department of Public Safety Standards and Training**

The Subcommittee approved the expenditure of \$1,201,239 Other Funds from the American Rescue Plan Act (ARPA) for deferred maintenance projects at the Department of Public Safety Standards and Training's Public Safety Campus.

#### **Oregon Youth Authority**

The Subcommittee approved an increase in Other Funds expenditure limitation of \$1,271,961 for the cost of issuance of \$68,725,000 in Article XI-Q bonds for the Oregon Youth Authority. Bond proceeds will support continued renovation of living spaces and other facilities at the MacLaren, Rogue Valley, Tillamook, and Oak Creek youth correctional facilities, and will fund the Juvenile Justice Information System modernization project. Bonds will be issued in October 2021, May 2022, and March of 2023. New debt service totaling \$4,482,262 General Fund was approved for the Department's planned 2021-23 bond issues.

To support the Juvenile Justice Information System (JJIS) modernization project, the Subcommittee approved \$7,756,531 Other Funds expenditure limitation. The Other Funds revenue for this expenditure is from the proceeds of Article XI-Q bonds issued for the project.

The Subcommittee approved the expenditure of \$5,448,068 Other Funds from the American Rescue Plan Act (ARPA) to implement or complete the following Oregon Youth Authority projects in the 2021-23 biennium:

- For the non-bondable costs of the Juvenile Justice Information System modernization project, \$1,600,000.
- For replacement of the emergency generator at the MacLaren youth correctional facility, \$1,750,000.
- For removal and replacement of the parole and probation office building on the campus of the Oak Creek youth correctional facility, \$1,609,780.
- For the non-bondable costs of capital improvement projects at various OYA facilities statewide, \$488,288.

The Subcommittee approved \$574,510 General Fund on a one-time basis for the Oregon Youth Authority to supplement the payments to behavior rehabilitation service providers that provide sex offense treatment using Sex Offense Treatment Board (SOTB) certified providers. This funding is a stop-gap measure and will only be available during the 2021-23 biennium until Medicaid coverage for this service is established.

To reimburse counties for the cost of performing expunctions of juvenile records as required by SB 575 (2021), the Subcommittee approved \$1,841,868 General Fund. This amount is an estimate based on a statewide average cost of \$208.95 per expunction for an estimated 8,815 expunctions to be performed in the 2021-23 biennium. The ongoing costs related to expunction of juvenile records should be re-evaluated during current service level budget development for the 2023-25 biennium as data on the performance of this new requirement is made available.

The Subcommittee approved \$801,378 General Fund for the Oregon Youth Authority to pay the cost of care for youth that was formerly paid for with juvenile justice system fees.

The Subcommittee approved a reduction of \$100 million General fund and an increase in Other Funds expenditure limitation in the same amount in order to use American Rescue Plan Act State Fiscal Recovery Funds received by the Department of Administrative Services and passed through to the Oregon Youth Authority for maintaining public safety services.

## **TRANSPORTATION**

### **Department of Aviation**

House Bill 2434 increases the aircraft fuel tax (AvGas tax) from 9 cents to 11 cents a gallon and increases the aircraft fuel tax for aircraft operated by turbine engines (jet fuel tax) from 1 cent to 3 cents per gallon. The increases fund the Department of Aviation's Aviation System Action Fund which funds two aviation infrastructure investment programs. The Critical Oregon Airport Relief (COAR) program receives 75% of these funds and the State-Owned Airport Reserve (SOAR) program receives 25%. The Subcommittee approved an increase in Other Funds expenditure limitation of \$4,603,625 for the Department to spend the increased revenue.

### **Department of Transportation**

The Oregon Department of Transportation (ODOT) administers grants on behalf of the Oregon Department of Veterans' Affairs (ODVA) related to transportation services for veterans, primarily related to their health care appointments. The amount approved in ODVA's 2021-23 budget for this purpose and transferred to ODOT is \$650,000 Lottery Funds. This is in addition to \$300,000 in funding that was carried forward from authorized amounts for the 2019-21 biennium.

General Fund of \$2 million is appropriated to ODOT on a one-time basis for graffiti and litter removal along state highways and interstates. The funding will be used in Region 1 (the Portland metro area), allowing ODOT to expand an existing contract and solicit additional service providers to remove graffiti on sound walls and traffic signs, as well as remove accumulated roadside litter and trash.

Additionally, \$1.25 million General Fund was approved on a one-time basis for ODOT to support cultural resource assessments in areas where the agency is conducting wildfire-related tree and debris removal. The funding enables ODOT to coordinate with tribes, the State Historic Preservation Office, and others on surveys and assessments of cultural resources in the fire damaged areas.

Other Funds expenditure limitation is increased by \$4,057,570 million to spend \$4 million of Lottery bond proceeds on construction of a pedestrian bridge in the City of Sherwood, and \$57,570 on the cost of bond issuance. Lottery Funds expenditure limitation was increased by \$328,752 for debt service.

Improvements to the Fanno Creek Trail by Tualatin Hills Park and Recreation District will be supported by Lottery bond proceeds totaling \$2 million Other Funds; cost of issuance related to the project is \$145,358 Other Funds. These bonds will not be issued until the spring of 2023, so no debt service is associated with the project in this biennium.

The Subcommittee approved \$298,451 Other Funds expenditure limitation for operational expenses of the State Towing Board established by SB 300 (2021). Two permanent positions are approved for this purpose, including an Operations and Policy Analyst 2 (0.50 FTE) and a Compliance Specialist 2 (0.50 FTE); both of these positions will be budgeted for a full 24 months in the 2023-25 biennium. The Towing Board will be

supported by fee revenue, and the Department may need to return to the Joint Committee on Ways and Means or the Emergency Board for additional expenditure limitation related to implementation of SB 300.

The Department of Administrative Services will transfer \$124,349,960 of federal American Rescue Plan Act funds to ODOT to augment highway fund revenues negatively impacted by the COVID-19 pandemic. The funds are designated for the following projects:

- \$80 million for safety improvements to Oregon 213/82nd Avenue
- \$32 million for Phase II costs related to the Newberg Dundee Bypass (OR-219 section)
- \$5 million for the Hood River-White Salmon Interstate Bridge
- \$3,349,960 for rehabilitation of the Lake County Railroad
- \$4 million for the Clackamas County Sunrise Gateway Corridor Community Visioning Concept

### **Adjustments to 2019-21 Budgets**

#### **Public Defense Services Commission**

For the 2019-21 biennium, the Subcommittee approved \$92,721 Other Funds expenditure limitation for services and supplies for public defense costs due to the impact of the COVID-19 pandemic. The revenue source is from the Coronavirus Relief Fund received by the Oregon Department of Administrative Services and transferred to the Public Defense Service Commission.

**HB 5028 A BUDGET REPORT and MEASURE SUMMARY**

**Carrier:** Rep. Stark

**Joint Committee On Ways and Means**

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**Action Date:** 06/16/21

**Action:** Do pass with amendments. (Printed A-Eng.)

**House Vote**

**Yeas:** 11 - Bynum, Drazan, Gomberg, Leif, McLain, Nosse, Rayfield, Sanchez, Smith G, Sollman, Stark

**Senate Vote**

**Yeas:** 12 - Anderson, Frederick, Girod, Golden, Gorsek, Hansell, Johnson, Knopp, Lieber, Steiner Hayward, Taylor, Thomsen

**Prepared By:** Michelle Lisper, Department of Administrative Services

**Reviewed By:** Julie Neburka, Legislative Fiscal Office

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**Department of State Police**

**2021-23**

**2019-21**

**Budget Summary\***

	2019-21	2021 - 23	2021-23	Committee Change from 2019-21	
	Legislatively Approved Budget <sup>(1)</sup>	Current Service Level	Committee Recommendation	Leg. Approved	
				\$ Change	% Change
General Fund	\$ 286,303,088	\$ 351,560,275	\$ 387,047,529	\$ 100,744,441	35.2%
General Fund Debt Service	\$ 356,360	\$ -	\$ -	\$ (356,360)	(100.0%)
Lottery Funds	\$ 10,362,821	\$ 11,069,398	\$ 11,068,651	\$ 705,830	6.8%
Other Funds Limited	\$ 245,866,088	\$ 177,896,176	\$ 166,393,237	\$ (79,472,851)	(32.3%)
Other Funds Debt Service	\$ 148,840	\$ -	\$ -	\$ (148,840)	(100.0%)
Federal Funds Limited	\$ 13,770,684	\$ 13,203,525	\$ 13,815,647	\$ 44,963	0.3%
<b>Total</b>	<b>\$ 556,807,881</b>	<b>\$ 553,729,374</b>	<b>\$ 578,325,064</b>	<b>\$ 21,517,183</b>	<b>3.9%</b>

**Position Summary**

Authorized Positions	1,427	1,352	1,425	(2)
Full-time Equivalent (FTE) positions	1,387.50	1,351.00	1,411.41	23.91

<sup>(1)</sup> Includes adjustments through January 2021

\* Excludes Capital Construction expenditures

**2019-21 Budget Actions\***

	2019-21	2019-21	Committee Change from 2019-21	
	Legislatively Approved Budget <sup>(1)</sup>	Committee Recommendation	Leg. Approved	
			\$ Change	% Change
General Fund	\$ 286,303,088	\$ 286,571,288	\$ 268,200	0.1%
General Fund Debt Service	\$ 356,360	\$ 356,360	\$ -	0.0%
Lottery Funds	\$ 10,362,821	\$ 10,362,821	\$ -	0.0%
Other Funds Limited	\$ 245,866,088	\$ 245,866,088	\$ -	0.0%
Other Funds Debt Service	\$ 148,840	\$ 148,840	\$ -	0.0%
Federal Funds Limited	\$ 13,770,684	\$ 13,770,684	\$ -	0.0%
<b>Total</b>	<b>\$ 556,807,881</b>	<b>\$ 557,076,081</b>	<b>\$ 268,200</b>	<b>0.0%</b>

<sup>(1)</sup> Includes adjustments through January 2021

\* Excludes Capital Construction expenditures



## **Summary of Revenue Changes**

The Department of State Police (OSP) is supported primarily with General Fund. For the 2021-23 biennium, General Fund totals \$387 million, which is 67% of the recommended budget. Dedicated Lottery Funds (Ballot Measure 76) partially supports the Fish and Wildlife Enforcement Division and accounts for 2% of the budget. Other Funds revenues make up 29% of the Department's budget and Federal Funds account for the remaining 2%.

Other Funds are primarily comprised of marijuana tax revenues; the Fire Insurance Premium Tax, which supports the operations of the State Fire Marshal; a transfer from the Oregon Department of Fish and Wildlife to support enforcement of fish and wildlife laws; and one-time funding from the American Rescue Plan Act (ARPA). Federal Funds come primarily from agreements with and grants from federal agencies.

## **Summary of Public Safety Subcommittee Action**

The mission of OSP is to enhance livability and safety by protecting the people, property, and natural resources of Oregon. The Department serves, protects, and educates Oregon's citizens and visitors through leadership, action, coordination, and cooperation with its public safety partners. Functions of the Department include patrol services, criminal investigations, forensic lab services, fish and wildlife law enforcement, law enforcement information management, and gaming law enforcement. The Department also houses the offices of the State Medical Examiner and the State Fire Marshal.

The Subcommittee recommended a budget of \$578,325,064 total funds comprised of \$387,047,529 General Fund, \$11,068,651 Lottery Funds, \$166,393,237 Other Funds expenditure limitation, \$13,815,647 Federal Funds expenditure limitation, and 1,425 positions (1,411.41 FTE). The total funds budget is a 4.4% increase from the 2021-23 current service level and a 3.9% increase from the 2019-21 legislatively approved budget.

### **Administrative Services Division**

The Administrative Services Division consists of the administrative support functions of the Department. The Division provides budget development and oversight, business support, information technology, and human services to support the operations of the Department.

The Subcommittee recommended a budget of \$22,381,443 General Fund, \$5,868,962 Other Funds expenditure limitation, \$498,116 Federal Funds expenditure limitation, and 92 positions (90.24 FTE). The Subcommittee recommended the following packages:

**Package 099, Microsoft 365 Consolidation.** This package decreases General Fund by \$29,094 and Other Funds expenditure limitation by \$40,198. Microsoft 365 is being consolidated within the Office of the State Information Officer at the E5 level of service. This cost is built into the State Government Service Charge for every agency as a cost increase for the 2021-23 biennium. This package makes a corresponding

reduction to the agency base budget in an amount equivalent to what agencies should be paying in the current 2019-21 biennium for Microsoft 365 at the E3 level of service.

Package 100, Police Accountability & Wellness. This package increases General Fund by \$706,908 and establishes three permanent full-time positions (2.64 FTE) and associated services and supplies in the new Diversity, Equity and Inclusion Team. This funding includes \$125,000 General Fund for agency-wide implicit bias training.

Agency-wide, this package funds a suite of programs, services, and technology to support patrol officer wellness and safety, accountability, and effectiveness. This new program includes a Health, Wellness, and Resiliency Unit; Diversity, Equity, and Inclusion Team; and additional support for the Office of Professional Standards and the Training Section. The technology improvements included in this package provide for home and office gun safes, body-worn cameras for all sworn staff, and adequate electronic storage for video footage.

Package 104, Rent Allocation Budget Shortfall. This package increases General Fund by \$273,341 and decreases Other Funds expenditure limitation by \$418,919. OSP recently evaluated its use of building space and updated the rent allocations for all facilities statewide. This agency re-evaluation is consistent with the way the Department of Administrative Services allocates rent expense, based on FTE, funding source, and square footage at each location. Rent expense is re-allocated among the Agency's program areas resulting in a net reduction of \$1.3 million in Other Funds and Federal Funds rent expense agency-wide.

Package 105, Position Reclassifications. This package reclassifies five management positions and one professional position. This action aligns management with operational responsibilities and has no cost in the 2021-23 biennium.

Package 106, Services Division – Staffing. This package increases General Fund by \$587,939 and establishes three permanent full-time positions (2.64 FTE) needed to address the Agency's capacity to implement capital projects, manage grants, and develop and manage the Agency's budget. The three positions are as follows:

- One Project Manager 2 (0.88 FTE) in the Business Services Section for the Facilities program area,
- One Program Analyst 2 (0.88 FTE) in the Financial Services Section for grants management, and
- One Fiscal Analyst 3 (0.88 FTE) in the Financial Services Section for budget.

### **Patrol Services Division**

The Patrol Services Division provides uniform police services throughout the state with a primary responsibility for the protection of human life and property through crash reduction, crime reduction, responding to emergency calls for police services and responding to other transportation safety issues on Oregon's state and interstate highways. The Division is organized into three regions – Northwest, Southwest

and East – as well as several special patrols: Capitol Mall, Special Operations, and Dignitary Protection. Patrol Services also augments and supports local law enforcement by providing a safety net of police services, including assisting in cases of civil disobedience, natural or manmade disasters, and with city and county emergency calls for services. Additionally, specialized services are provided in support of all law enforcement agencies in Oregon.

The Subcommittee recommended a budget of \$181,199,774 General Fund, \$33,806,501 Other Funds expenditure limitation, \$428,633 Federal Funds expenditure limitation and 529 positions (521.75 FTE). The Subcommittee recommended the following packages:

Package 070, Revenue Shortfall. This revenue shortfall package reduces Other Funds expenditure limitation by \$4,039,348 and eliminates 13 positions (13.00 FTE) associated with the elimination of a contract with Oregon State University for policing services.

Package 099, Microsoft 365 Consolidation. This package decreases General Fund by \$470,543 and Other Funds expenditure limitation by \$4,942. Microsoft 365 is being consolidated within the Office of the State Information Officer at the E5 level of service. This cost is built into the State Government Service Charge for every agency as a cost increase for the 2021-23 biennium. This package makes a corresponding reduction to the agency base budget in an amount equivalent to what agencies should be paying in the current 2019-21 biennium for Microsoft 365 at the E3 level of service.

Package 100, Police Accountability & Wellness. This package increases General Fund by \$1,208,668 for electronic storage for video footage. Agency-wide, this package funds a suite of programs, services, and technology to support patrol officer wellness and safety, accountability, and effectiveness. The new programs include a Health, Wellness, and Resiliency Unit; a Diversity, Equity, and Inclusion Team; and additional support for the Office of Professional Standards and the Training Section.

Package 101, Patrol Division Staffing restoration – OSU contract. This package increases General Fund by \$4,183,520, decreases Other Funds expenditure limitation by \$144,172 and re-establishes 13 permanent full-time positions (13.00 FTE). The Oregon State Police held a law enforcement services agreement with Oregon State University (OSU) from 1989 through the end of 2020. The contract supported 10 troopers, one sergeant, one lieutenant, and one administrative position. This package continues the funding for those positions and allows the agency to re-deploy the positions to work sites throughout the Willamette Valley.

Package 104, Rent Allocation Budget Shortfall. This package decreases General Fund by \$821,737 and increases Other Funds expenditure limitation by \$10,308, which addresses the recent evaluation of building space and updated the rent allocations for each OSP facility. This agency re-evaluation is consistent with the way the Department of Administrative Services allocates rent expense, based on FTE, funding source, and square footage at each location. Rent expense is re-allocated among the Agency’s program areas resulting in a net reduction of \$1.3 million in Other Funds and Federal Funds rent expense agency-wide.

Package 105, Position Reclassifications. This package reclassifies one administrative position and three office managers, which support regional offices in the Patrol Division. This action has no cost in the 2021-23 biennium.

Package 109, Vehicles. This package increases Other Funds expenditure limitation by \$3,806,079. Agency-wide, this package provides \$4.6 million Other Funds to replace 214 vehicles and purchase 27 additional vehicles in 2021-23, including a Forensics crime scene response vehicle; and to pay for 62 vehicles ordered but not yet received in the 2019-21 biennium. Other Funds revenue for this package is one-time only and will be allocated from American Rescue Plan Act (ARPA) funds received by the Department of Administrative Services and passed through to OSP.

Package 801, LFO Analyst Adjustments. This package is a one-time fund shift of \$13,404,580 from General Fund to Other Funds expenditure limitation, allowing the agency to make use of Federal Emergency Management Agency (FEMA) reimbursement revenues from the 2020 wildfire season.

Package 806, Patrol Troopers. This package increases the General Fund by \$4,952,340 and establishes 18 permanent full-time patrol trooper positions (11.25 FTE). Nine of the positions are scheduled to start January 1, 2022, and the other nine positions are scheduled to start on July 1, 2022. The funding includes associated services and supplies and a one-time capital purchase of vehicles and equipment for each new position. These positions are expected to be deployed statewide.

### **Fish and Wildlife Division**

The Fish and Wildlife Division ensures compliance with laws and regulations protecting and enhancing the long-term health and equitable use of Oregon's fish and wildlife resources and habitats. Troopers have special training in fish and wildlife laws and are positioned throughout the state. The troopers assigned to this Division are often the only law enforcement presence available in some of Oregon's most rural communities. In addition to fish and wildlife enforcement, they enforce traffic, criminal, boating, livestock, environmental protection laws, and respond to emergency situations. The Division also plays a crucial role in enforcing the Oregon Plan requirements for fish habitat protection and streambed enhancement. Lottery Funds (Ballot Measure 76) are specifically dedicated for this purpose.

The Subcommittee recommended a budget of \$11,379,917 General Fund, \$11,068,651 Lottery Funds, \$33,814,574 Other Funds expenditure limitation, \$2,676,650 Federal Funds expenditure limitation, and 130 positions (130.00 FTE). The Subcommittee recommended the following packages:

Package 070, Revenue Shortfall. This package anticipated a Measure 76 Lottery Funds shortfall of \$2,549,356 due to the COVID-19 pandemic, and eliminated nine Fish and Wildlife law enforcement positions (9.00 FTE).

Package 099, Microsoft 365 Consolidation. This package decreases General Fund by \$89,753, Lottery Funds by \$747, Other Funds expenditure limitation by \$73,482, and Federal Funds expenditure limitation by \$3,198. Microsoft 365 is being consolidated within the Office of the State Information Officer at the E5 level of service. This cost is built into the State Government Service Charge for every agency as a cost increase for the 2021-23 biennium. This package makes a corresponding reduction to the agency base budget in an amount equivalent to what agencies should be paying in the current 2019-21 biennium for Microsoft 365 at the E3 level of service.

Package 100, Police Accountability & Wellness. This package increases General Fund by \$447,000 for body-worn cameras and video storage. Agency-wide, this package funds a suite of programs, services, and technology to support patrol officer wellness and safety, accountability, and effectiveness. This new program includes a Health, Wellness, and Resiliency Unit; Diversity, Equity, and Inclusion Team; and additional support for the Office of Professional Standards and the Training Section.

Package 104, Rent Allocation Budget Shortfall. This package increases General Fund by \$34,106 and decreases Other Funds expenditure limitation by \$35,475 and Federal Funds expenditure limitation by \$246,311. OSP recently evaluated its use of building space and updated the rent allocations for all facilities statewide. The re-evaluation is consistent with the way the Department of Administrative Services allocates rent expense, based on FTE, funding source, and square footage at each location. Rent expense is re-allocated among the Agency's program areas, resulting in a net reduction of \$1.3 million Other Funds and Federal Funds rent expense agency-wide.

Package 114, Guardian Vessel Replacement. This package provides one-time Other Funds expenditure limitation of \$1,200,000 to purchase a replacement for the agency's one long-range ocean-going patrol vessel, known as the "Guardian." The Guardian is used to ensure compliance with and enforce commercial and sport fishing regulations in the Pacific Ocean and coastal inland waters. The Guardian is the only vessel in the Fish and Wildlife fleet equipped to pull and inspect commercial fishing gear. The Other Funds revenue for this package is the fund balance from prior asset sales and proceeds from the sale of the Guardian Patrol vessel.

Package 121, F&W Division Trooper Restoration (M76 shortfall). This package restores \$2,549,356 Lottery Funds expenditure limitation and Fish and Wildlife law enforcement positions (9.00 FTE) eliminated in the 070 revenue shortfall package above.

The Agency's 2021-23 budget request was prepared in the spring and summer of 2020, during the COVID-19 pandemic. Revenue forecasts at the time of the budget request projected a Lottery Funds shortfall, which subsequent forecasts reversed in full.

Package 801, LFO Analyst Adjustments. This package is a net-zero technical fund shift adjustment between the Fish and Wildlife Division and the Agency Support Division. General Fund to support these positions is decreased by \$185,350 in the Fish and Wildlife Division, and Federal Funds expenditure limitation is increased by an equal amount to replace the General Fund. This adjustment allows federal funding from the National Oceanic and Atmospheric Administration (NOAA) to remain in the Fish and Wildlife Division.

Additionally, this technical adjustment reduces the Other Funds budget for temporary employees and increases personnel expense for permanent employees in the same amount to establish two permanent positions to provide law enforcement for travel management areas across the state under the “Access and Habitat” contract with the Oregon Department of Fish and Wildlife. This contract service was formerly supported by OSP retirees hired as temporary employees.

### **Criminal Investigation Division**

The Criminal Investigation Division provides investigative services in support of criminal justice agencies statewide. Investigations include specialized intrastate and multi-jurisdictional major crimes, drug trafficking, arson, explosives and acts of terrorism, and support services are provided by specialized polygraph examiners and crime analysts. The Division also has jurisdiction of crimes occurring at all state institutions and routinely conducts sensitive criminal investigations involving public officials. Major components of the Division include the Major Crime Section, Drug Enforcement Section, Counter-Terrorism Section, and the Arson and Explosives Unit.

The Subcommittee recommended a budget of \$32,619,457 General Fund, \$20,168,726 Other Funds expenditure limitation, \$884,191 Federal Funds expenditure limitation, and 118 positions (117.52 FTE). The Subcommittee recommended the following packages:

Package 099, Microsoft 365 Consolidation. This package decreases Other Funds expenditure limitation by \$27,908 and Federal Funds expenditure limitation by \$1,432. Microsoft 365 is being consolidated within the Office of the State Information Officer at the E5 level of service. This cost is built into the State Government Service Charge for every agency as a cost increase for the 2021-23 biennium. This package makes a corresponding reduction to the agency base budget in an amount equivalent to what agencies should be paying in the current 2019-21 biennium for Microsoft 365 at the E3 level of service.

Package 100, Police Accountability & Wellness. This package increases General Fund by \$382,632 for video storage. Agency-wide, this package funds a suite of programs, services, and technology to support patrol officer wellness and safety, accountability, and effectiveness. The new programs include a Health, Wellness, and Resiliency Unit; a Diversity, Equity, and Inclusion Team; and additional support for the Office of Professional Standards and the Training Section.

Package 104, Rent Allocation Budget Shortfall. This package increases Other Funds expenditure limitation by \$222,727. OSP recently evaluated its use of building space and updated the rent allocations for all facilities statewide. The space re-evaluation is consistent with the way the Department of Administrative Services allocates rent expense, based on FTE, funding source, and square footage at each location. Rent expense is re-allocated among the Agency’s program areas, resulting in a net reduction of \$1.3 million Other Funds and Federal Funds rent expense agency-wide.

Package 109, Vehicle. This package increases Other Funds expenditure limitation by \$398,522. Agency-wide, this package provides \$4.6 million Other Funds to replace 214 vehicles, purchase 27 additional vehicles in 2021-23, including a forensic crime scene response vehicle, and to pay

for 62 vehicles ordered but not yet received in the 2019-21 biennium. Other Funds revenue for this package is one-time only and will be allocated from ARPA funds received by the Department of Administrative Services and passed through to OSP.

Package 112, Criminal Division- Staffing. This package increases General Fund by \$1,331,594 and establishes four permanent full-time positions (3.52 FTE). The positions include one sergeant (0.88 FTE) to support the southwest Oregon regional drug interdiction task forces, and one sergeant (0.88 FTE) and two trooper positions (1.76 FTE) to establish a Digital Forensics Unit within the Criminal Investigations Division.

Package 801, LFO Analyst Adjustments. This package increases General Fund by \$29,197,200 and decreases Other Funds expenditure limitation by \$29,197,200. This fund shift backfills the loss of Marijuana Tax revenue resulting from the passage of Ballot Measure 110 (2020), which created a new Drug Treatment and Recovery Fund and changed the statutory distribution of marijuana tax revenue to include distribution into the new fund. Distributions previously made to state agencies were considerably reduced.

### **Forensic Services Division**

The Forensic Services Division provides scientific, technical, and investigative support to all criminal justice agencies in the state. The Division provides analysis in several disciplines including biology, chemistry, toxicology, crime scene investigation, DNA, latent prints, firearms, and tool marks. Laboratories are located in Bend, Central Point, Pendleton, Portland, and Springfield. Additionally, the Division operates an Implied Consent Unit, which provides a breath alcohol-testing program and instruments for law enforcement to use when a person is arrested for impaired driving. Most of the demand for the Division's services comes from local law enforcement rather than from the Department.

The Subcommittee recommended a budget of \$55,070,694 General Fund, \$2,301,411 Other Funds expenditure limitation, \$3,808,192 Federal Funds expenditure limitation, and 138 positions (138.00 FTE). The Subcommittee recommended the following packages:

Package 087, August 2020 Special Session. This package increases Federal Funds expenditure limitation on a one-time basis by \$994,359 to carry forward federal grant funding approved by the Legislature during the August 2020 special session. The Agency received a DNA Capacity Enhancement and Backlog Reduction Program grant award from the U.S. Department of Justice for forensic laboratory equipment, which has been ordered but is not expected to be received prior to June 30, 2021.

Package 099, Microsoft 365 Consolidation. This package decreases General Fund by \$22,746, Other Funds expenditure limitation by \$419, and Federal Funds expenditure limitation by \$9,593. Microsoft 365 is being consolidated within the Office of the State Information Officer at the E5 level of service. This cost is built into the State Government Service Charge for every agency as a cost increase for the 2021-23 biennium. This package makes a corresponding reduction to the agency base budget in an amount equivalent to what agencies should be paying in the current 2019-21 biennium for Microsoft 365 at the E3 level of service.

Package 104, Rent Allocation Budget Shortfall. This package decreases General Fund by \$246,416. OSP recently evaluated its use of building space and updated the rent allocations for OSP facilities statewide. This agency re-evaluation is consistent with the way the Department of Administrative Services allocates rent expense, based on FTE, funding source, and square footage at each location. Rent expense is re-allocated among the Agency's program areas, resulting in a net reduction of \$1.3 million Other Funds and Federal Funds rent expense.

Package 105, Position Reclassifications. This package reclassifies two management positions in the Portland Forensic Lab. One position manages the Toxicology section and the other is the DNA Laboratory Director. This action addresses workload issues and has no cost in the 2021-23 biennium.

Package 109, Vehicles. This package increases Other Funds expenditure limitation by \$278,746. Agency-wide, this package provides \$4.6 million Other Funds to replace 214 vehicles; purchase 27 additional vehicles in 2021-23, including a forensics crime scene response vehicle; and to pay for 62 vehicles ordered but not yet received in the 2019-21 biennium. Other Funds revenue for this package is one-time only and will be allocated from ARPA funds received by the Department of Administrative Services and passed through to OSP.

Package 115, Forensic Equipment. This package provides \$1,606,000 Other Funds expenditure limitation on a one-time basis to purchase new equipment for the Forensic laboratories. This equipment includes microscopes, a mass spectrometer and its associated maintenance contract, ultra-violet spectrophotometers, and crime scene scanning equipment and associated software. The Other Funds revenue for this package will be allocated from ARPA funds received by the Department of Administrative Services and passed through to OSP.

### **Office of State Medical Examiner**

The Office of the State Medical Examiner manages all aspects of the statewide death investigation program in Oregon and is responsible for technical supervision of county death investigators in each of Oregon's 36 counties. The Office is responsible for the investigation of all deaths due to homicide, suicide, accident, drug overdose, deaths in state custody, deaths on the job, natural deaths occurring while not under medical care, and for the identification of unclaimed skeletal remains. Additionally, the Office provides lectures and training on death investigations and legal medicine to physicians, medical students, law students, police officers, emergency medical technicians, and other individuals associated with the death investigation system.

The Subcommittee recommended a budget of \$9,790,256 General Fund, \$296,861 Other Funds expenditure limitation, and 29 positions (27.16 FTE). The Subcommittee recommended the following packages:

Package 099, Microsoft 365 Consolidation. This package decreases General Fund by \$685 and Other Funds expenditure limitation by \$4,549. Microsoft 365 is being consolidated within the Office of the State Information Officer at the E5 level of service. This cost is built into the State Government Service Charge for every agency as a cost increase for the 2021-23 biennium. This package makes a corresponding reduction to



the Agency's base budget in an amount equivalent to what agencies should be paying in the current 2019-21 biennium for Microsoft 365 at the E3 level of service.

Package 104, Rent Allocation Budget Shortfall. This package decreases General Fund by \$6,303. OSP recently evaluated its use of building space and updated the rent allocations for all OSP facilities. This agency re-evaluation is consistent with the way the Department of Administrative Services allocates rent expense, based on FTE, funding source, and square footage at each location. Rent expense is re-allocated among the Agency's program areas, resulting in a net reduction of \$1.3 million Other Funds and Federal Funds rent expense agency-wide.

Package 105, Position Reclassifications. This package reclassifies two administrative positions to address workload issues. This action has no cost in the 2021-23 biennium.

Package 107, Medical Examiner's Office - Staffing. This package increases General Fund by \$1,352,624 and establishes six permanent full-time positions (5.64 FTE) to support the increasing number of autopsies performed in the Office of the Chief Medical Examiner. Positions include three Medical Laboratory Technicians (Autopsy Assistants), one Deputy Medical Examiner, one Research Analyst, and one medical transcriptionist. Also included in this package are the associated services and supplies, totaling \$60,750.

Package 802, Medical Examiner Support. This package increases General Fund by \$1,850,518 and establishes ten permanent full-time positions (9.02 FTE) to address the challenge of the increasing numbers of autopsies performed by the Office of the State Medical Examiner. The volume at the morgue has increased by 20% from January 2020 through December 2020 and the number of overdose deaths and homicides has nearly overwhelmed the ability of the Medical Examiner's staff to manage workload in a timely way. This package adds additional morgue technicians and administrative staff, forensic scientists to address the toxicology work associated with autopsies, and funding for contracts with traveling pathologists, for outsourced lab work, and for the rental of refrigerated trailers to use as temporary morgue space.

### **Agency Support**

The Agency Support Division provides executive leadership, policy direction, professional standards management, training and recruitment, internal audit, dispatch services, and sworn support to other programs in the Department.

The Subcommittee recommended a budget of \$61,462,184 General Fund, \$3,690,752 Other Funds expenditure limitation, \$26 Federal Funds expenditure limitation, and 153 positions (153.73 FTE). The Subcommittee recommended the following packages:

Package 099, Microsoft 365 Consolidation. This package decreases General Fund by \$20,107 and increases Other Funds expenditure limitation by \$305. Microsoft 365 is being consolidated within the Office of the State Information Officer at the E5 level of service. This cost is built into the State Government Service Charge for every agency as a cost increase for the 2021-23 biennium. This package makes a corresponding

reduction to the agency base budget in an amount equivalent to what agencies should be paying in the current 2019-21 biennium for Microsoft 365 at the E3 level of service.

Package 100, Police Accountability & Wellness. This package increases General Fund by \$3,005,449, establishes eight permanent full-time positions (7.40 FTE), and funds associated services and supplies for the following positions:

- Three positions (2.76 FTE) in the Office of Professional Standards,
- One position (1.00 FTE) in the Training unit,
- Four positions (3.64 FTE) in the new Health, Wellness, and Resiliency unit, and

Additionally, this package provides one-time funding of \$641,700 for the purchase of at-home firearms storage lockers for sworn staff and additional firearms storage lockers for Patrol Offices statewide.

Agency-wide, this package funds a suite of programs, services, and technology to support patrol officer wellness and safety, accountability, and effectiveness. The new programs include a Health, Wellness, and Resiliency Unit; a Diversity, Equity, and Inclusion Team; and additional support for the Office of Professional Standards and the Training Section.

Package 104, Rent Allocation Budget Shortfall. This package increases General Fund by \$520,472 and decreases Other Funds expenditure limitation by \$133,878. OSP recently evaluated its use of building space and updated the rent allocations for all facilities statewide. The re-evaluation is consistent with the way the Department of Administrative Services allocates rent expense, based on FTE, funding source, and square footage at each location. Rent expense is re-allocated among the Agency's program areas, resulting in a net reduction of \$1.3 million in Other Funds and Federal Funds rent expense agency-wide.

Additionally, in this Division, the package fund shifts six dispatch positions from General Fund to Other Funds on an ongoing basis.

Package 109, Vehicles. This package increases Other Funds expenditure limitation by \$77,080. Agency-wide, this package provides \$4.6 million Other Funds to replace 214 vehicles, purchase 27 additional vehicles in 2021-23, including a forensics crime scene response vehicle; and to pay for 62 vehicles ordered but not yet received in the 2019-21 biennium. Other Funds revenue for this package is one-time only and will be allocated from ARPA funds received by the Department of Administrative Services and passed through to OSP.

Package 801, LFO Analyst Adjustments. This package is a net-zero technical fund shift adjustment between the Fish and Wildlife Division and the Agency Support Division. Federal Fund expenditure limitation is decreased by \$185,350 in the Agency Support Division, and General Fund is

increased by an equal amount to replace the Federal Funds expenditure limitation. This adjustment allows federal funding from the National Oceanic and Atmospheric Administration (NOAA) to remain in the Fish and Wildlife Division.

### **Criminal Justice Information Services**

The Criminal Justice Information Services Division (CJIS) maintains Oregon's central computerized repository of criminal offender records and related law enforcement information and provides for the immediate and secure access of these confidential records. The Division serves the criminal justice information needs and requirements of Oregon law enforcement at the city, county, state, and federal levels, and supports the Sex Offender Registration Section. The customer base is primarily external to the Department; however, the Department is also a user of the systems maintained by the Division.

The Subcommittee recommended a budget of \$12,126,549 General Fund, \$22,932,802 Other Funds expenditure limitation, \$4,949,588 Federal Funds expenditure limitation, and 130 positions (127.96 FTE). The Subcommittee recommended the following packages:

Package 099, Microsoft 365 Consolidation. This package decreases General Fund by \$6,094, Other Funds expenditure limitation by \$14,087, and Federal Funds expenditure limitation by \$121,703. Microsoft 365 is being consolidated within the Office of the State Information Officer at the E5 level of service. This cost is built into the State Government Service Charge for every agency as a cost increase for the 2021-23 biennium. This package makes a corresponding reduction to the agency base budget in an amount equivalent to what agencies should be paying in the current 2019-21 biennium for Microsoft 365 at the E3 level of service.

Package 104, Rent Allocation Budget Shortfall. This package increases General Fund by \$246,537 and decreases Other Funds expenditure limitation by \$6,054. OSP recently evaluated its use of building space and updated the rent allocations for all facilities statewide. The re-evaluation is consistent with the way the Department of Administrative Services allocates rent expense, based on FTE, funding source, and square footage at each location. Rent expense is re-allocated among the Agency's program areas, resulting in a net reduction of \$1.3 million in Other Funds and Federal Funds rent expense agency-wide.

Package 105, Position Reclassifications. This package reclassifies one management position to address workload issues. This action has no cost in the 2021-23 biennium.

Package 801, LFO Analyst Adjustments. This net-zero technical adjustment reclassifies three positions in the CJIS Division to address changing workloads and work-out-of-class situations.

Additionally, this package recognizes revenue from fees increased for applicant and regulatory criminal record background checks, last increased in 2006; and for "open records" criminal records checks, last increased in 1999. Applicant and regulatory criminal record background check fees are increased from \$27/\$28 to \$33 and open records criminal records checks are increased from \$10 to \$33. Based on historical

transaction volume, these increases are anticipated to increase revenues to the CJIS Division by \$3.2 million per biennium and will bring the associated programs closer to being fully user-supported.

Package 803, Background Check Unit. This package increases Other Funds expenditure limitation by \$2,385,834 and establishes 17 full-time limited duration positions (14.96 FTE) in the Firearm Instant Check System (FICS) Unit to address a backlog of firearm background checks. The source of the one-time Other Funds revenue is available fund balance from fees charged to support the CJIS Division.

### **Gaming Enforcement Division**

The Gaming Enforcement Division ensures fairness, honesty, integrity, and security of the Oregon State Lottery and Tribal gaming centers operating in Oregon. Additionally, the Division includes the Oregon Athletic Commission, which regulates the professional boxing, wrestling, and the mixed-martial arts industry in order to protect the fighters and the public.

The Subcommittee recommended a budget of \$231,666 General Fund, \$13,419,057 Other Funds expenditure limitation, and 37 positions (36.71 FTE). The Subcommittee recommended the following packages:

Package 099, Microsoft 365 Consolidation. This package decreases Other Funds expenditure limitation by \$7,176. Microsoft 365 is being consolidated within the Office of the State Information Officer at the E5 level of service. This cost is built into the State Government Service Charge for every agency as a cost increase for the 2021-23 biennium. This package makes a corresponding reduction to the agency base budget in an amount equivalent to what agencies should be paying in the current 2019-21 biennium for Microsoft 365 at the E3 level of service.

Package 104, Rent Allocation Budget Shortfall. This package decreases Other Funds expenditure limitation by \$81,693. OSP recently evaluated its use of building space and updated the rent allocations for all facilities statewide. The re-evaluation is consistent with the way the Department of Administrative Services allocates rent expense, based on FTE, funding source, and square footage at each location. Rent expense is re-allocated among the Agency's program areas, resulting in a net reduction of \$1.3 million Other Funds and Federal Funds rent expense agency-wide.

### **State Fire Marshal**

The Office of the State Fire Marshal (OSFM) is responsible for protecting citizens, their property, and the environment from fire and hazardous materials. OSFM provides fire, life, and safety education resources; inspection and investigation services; and administers 13 regional hazardous materials response teams and incident management teams. Additionally, OSFM coordinates with other agencies on statewide issues and mobilizes firefighting resources during conflagrations and major emergency incidents.

The Subcommittee recommended a budget of \$785,589 General Fund, \$30,093,591 Other Funds expenditure limitation, \$570,251 Federal Funds expenditure limitation, and 69 positions (68.34 FTE). The Subcommittee recommended the following packages:

Package 099, Microsoft 365 Consolidation. This package decreases General Fund by \$556 and Other Funds expenditure limitation by \$39,654. Microsoft 365 is being consolidated within the Office of the State Information Officer at the E5 level of service. This cost is built into the State Government Service Charge for every agency as a cost increase for the 2021-23 biennium. This package makes a corresponding reduction to the agency base budget in an amount equivalent to what agencies should be paying in the current 2019-21 biennium for Microsoft 365 at the E3 level of service.

Package 104, Rent Allocation Budget Shortfall. This package decreases Other Funds expenditure limitation by \$623,966. OSP recently evaluated its use of building space and updated the rent allocations for all facilities statewide. The re-evaluation is consistent with the way the Department of Administrative Services allocates rent expense, based on FTE, funding source, and square footage at each location. Rent expense is re-allocated among the Agency's program areas, resulting in a net reduction of \$1.3 million Other Funds and Federal Funds rent expense agency-wide.

Package 805, Oregon Safety Assessment Program. This package increases General Fund by \$325,000. HB 2206 (2019) directed OSFM to develop and administer a statewide program called the Oregon Safety Assessment Program (OrSAP) to evaluate the condition of buildings after an emergency and to determine whether the buildings might be safely occupied. This package provides two positions (1.34 FTE) and \$300,000 to implement the program. Additionally, \$25,000 is provided to OSFM on a one-time basis to study and develop recommendations for ways rural fire protection districts can use assets to facilitate community development efforts following a natural disaster.

### **Summary of Performance Measure Action**

See attached Legislatively Adopted 2021-23 Key Performance Measures form.

### **2019-21 Expenditure Actions**

The Subcommittee recommended a \$268,200 General Fund appropriation for the 2019-21 biennium, to pay the remainder of the state's share of federally-reimbursable expenses incurred during the 2020 wildfire season.

**DETAIL OF JOINT COMMITTEE ON WAYS AND MEANS ACTION**

**Department of State Police**  
**Michelle Lisper - 971-283-6360**

DESCRIPTION	GENERAL FUND	LOTTERY FUNDS	OTHER FUNDS		FEDERAL FUNDS		TOTAL ALL FUNDS	POS	FTE
			LIMITED	NONLIMITED	LIMITED	NONLIMITED			
2019-21 Legislatively Approved Budget at Jan. 2021*	\$ 286,659,448	\$ 10,362,821	\$ 246,014,928	\$ -	\$ 13,770,684	\$ -	556,807,881	1,427	1,387.50
2021-23 Current Service Level (CSL)*	\$ 351,560,275	\$ 11,069,398	\$ 177,896,176	\$ -	\$ 13,203,525	\$ -	553,729,374	1,352	1,351.00
<b>SUBCOMMITTEE ADJUSTMENTS (from CSL)</b>									
<b>SCR 001 - Administration</b>									
Package 099: Microsoft 365									
Services and Supplies	\$ (29,094)	\$ -	\$ (40,198)	\$ -	\$ -	\$ -	(69,292)		
Package 100: Police Accountability & Wellness									
Personal Services	\$ 552,658	\$ -	\$ -	\$ -	\$ -	\$ -	552,658	3	2.64
Services and Supplies	\$ 154,250	\$ -	\$ -	\$ -	\$ -	\$ -	154,250		
Package 104: Rent Allocation budget shortfall									
Services and Supplies	\$ 273,341	\$ -	\$ (418,919)	\$ -	\$ -	\$ -	(145,578)		
Package 106: Administrative Service - Division Staffing									
Personal Services	\$ 558,689	\$ -	\$ -	\$ -	\$ -	\$ -	558,689	3	2.64
Services and Supplies	\$ 29,250	\$ -	\$ -	\$ -	\$ -	\$ -	29,250		
<b>SCR 002 - Patrol Division</b>									
Package 070: Revenue Shortfall									
Personal Services	\$ -	\$ -	\$ (3,740,279)	\$ -	\$ -	\$ -	(3,740,279)	(13)	(13.00)
Services and Supplies	\$ -	\$ -	\$ (200,762)	\$ -	\$ -	\$ -	(200,762)		
Capital Outlay	\$ -	\$ -	\$ (98,307)	\$ -	\$ -	\$ -	(98,307)		
Package 099: Microsoft 365									
Services and Supplies	\$ (470,543)	\$ -	\$ (4,942)	\$ -	\$ -	\$ -	(475,485)		
Package 100: Police Accountability & Wellness									
Services and Supplies	\$ 1,208,688	\$ -	\$ -	\$ -	\$ -	\$ -	1,208,688		
Package 101: Patrol Division Staffing restoration - OSU Contract									
Personal Services	\$ 3,884,451	\$ -	\$ (144,172)	\$ -	\$ -	\$ -	3,740,279	13	13.00
Services and Supplies	\$ 200,762	\$ -	\$ -	\$ -	\$ -	\$ -	200,762		
Capital Outlay	\$ 98,307	\$ -	\$ -	\$ -	\$ -	\$ -	98,307		
Package 104: Rent Allocation Budget Shortfall									
Services and Supplies	\$ (821,737)	\$ -	\$ 10,308	\$ -	\$ -	\$ -	(811,429)		
Package 109: Vehicles									
Capital Outlay	\$ -	\$ -	\$ 3,806,079	\$ -	\$ -	\$ -	3,806,079		
Package 801: LFO Analyst Administration									
Personal Services	\$ (13,404,580)	\$ -	\$ 13,404,580	\$ -	\$ -	\$ -	-	0	0.00
Package 806: Patrol Troopers									
Personal Services	\$ 3,132,810	\$ -	\$ -	\$ -	\$ -	\$ -	3,132,810	18	11.25
Services and Supplies	\$ 649,530	\$ -	\$ -	\$ -	\$ -	\$ -	649,530		
Capital Outlay	\$ 1,170,000	\$ -	\$ -	\$ -	\$ -	\$ -	1,170,000		

DESCRIPTION	GENERAL FUND	LOTTERY FUNDS	OTHER FUNDS		FEDERAL FUNDS		TOTAL ALL FUNDS	POS	FTE
			LIMITED	NONLIMITED	LIMITED	NONLIMITED			
<b>SCR 003 - Fish and Wildlife Division</b>									
Package 070: Revenue Shortfall									
Personal Services	\$ -	\$ (2,521,323)	\$ -	\$ -	\$ -	\$ -	(2,521,323)	(9)	(9.00)
Services and Supplies	\$ -	\$ (28,033)	\$ -	\$ -	\$ -	\$ -	(28,033)		
Package 099: Microsoft 365									
Services and Supplies	\$ (89,753)	\$ (747)	\$ (73,482)	\$ -	\$ (3,198)	\$ -	(167,180)		
Package 100: Police Accountability & Wellness									
Services and Supplies	\$ 447,000	\$ -	\$ -	\$ -	\$ -	\$ -	447,000		
Package 104: Rent Allocation Budget Shortfall									
Services and Supplies	\$ 34,106	\$ -	\$ (35,475)	\$ -	\$ (246,311)	\$ -	(247,680)		
Package 114: Guardian Vessel Replacement									
Capital Outlay	\$ -	\$ -	\$ 1,200,000	\$ -	\$ -	\$ -	1,200,000		
Package 121: F&W Division Trooper Restoration									
Personal Services	\$ -	\$ 2,521,323	\$ -	\$ -	\$ -	\$ -	2,521,323	9	9.00
Services and Supplies	\$ -	\$ 28,033	\$ -	\$ -	\$ -	\$ -	28,033		
Package 801: LFO Analyst Adjustment									
Personal Services	\$ -	\$ -	\$ -	\$ -	\$ 148,460	\$ -	148,460	2	2.00
Services and Supplies	\$ (185,350)	\$ -	\$ -	\$ -	\$ 36,890	\$ -	(148,460)		
<b>SCR 004- Criminal Investigation</b>									
Package 099: Microsoft 365									
Services and Supplies	\$ -	\$ -	\$ (27,908)	\$ -	\$ (1,432)	\$ -	(29,340)		
Package 100: Police Accountability & Wellness									
Services and Supplies	\$ 382,632	\$ -	\$ -	\$ -	\$ -	\$ -	382,632		
Package 104: Rent Allocation Budget Shortfall									
Services and Supplies	\$ -	\$ -	\$ 222,727	\$ -	\$ -	\$ -	222,727		
Package 109: Vehicle									
Capital Outlay	\$ -	\$ -	\$ 398,522	\$ -	\$ -	\$ -	398,522		
Package 112: Criminal Division Staffing									
Personal Services	\$ 918,544	\$ -	\$ -	\$ -	\$ -	\$ -	918,544	4	3.52
Services and Supplies	\$ 153,050	\$ -	\$ -	\$ -	\$ -	\$ -	153,050		
Capital Outlay	\$ 260,000	\$ -	\$ -	\$ -	\$ -	\$ -	260,000		
Package 801: LFO Analyst Adjustments									
Personal Services	\$ 29,197,200	\$ -	\$ (29,197,200)	\$ -	\$ -	\$ -	-	0	0.00
<b>SCR 005 - Forensic Services Division</b>									
Package 087: August 2020 Special Session									
Services and Supplies	\$ -	\$ -	\$ -	\$ -	\$ 994,359	\$ -	994,359		
Package 099: Microsoft 365									
Services and Supplies	\$ (22,746)	\$ -	\$ (419)	\$ -	\$ (9,593)	\$ -	(32,758)		
Package 104: Rent Allocation Budget Shortfall									
Services and Supplies	\$ (246,416)	\$ -	\$ -	\$ -	\$ -	\$ -	(246,416)		
Package 109: Vehicle									
Capital Outlay	\$ -	\$ -	\$ 278,746	\$ -	\$ -	\$ -	278,746		
Package 115: Forensic Equipment									
Capital Outlay	\$ -	\$ -	\$ 1,606,000	\$ -	\$ -	\$ -	1,606,000		

DESCRIPTION	GENERAL FUND	LOTTERY FUNDS	OTHER FUNDS		FEDERAL FUNDS		TOTAL ALL FUNDS	POS	FTE
			LIMITED	NONLIMITED	LIMITED	NONLIMITED			
<b>SCR 006 - Office of the State Medical Examiner</b>									
Package 099: Microsoft 365									
Services and Supplies	\$ (685)	\$ -	\$ (4,549)	\$ -	\$ -	\$ -	\$ (5,234)		
Package 104: Rent Allocation Budget Shortfall									
Services and Supplies	\$ (6,303)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ (6,303)		
Package 107: Medical Examiner's Office Staffing									
Personal Services	\$ 1,291,874	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 1,291,874	6	5.64
Services and Supplies	\$ 60,750	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 60,750		
Package 802: Medical Examiner Support									
Personal Services	\$ 1,293,906	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 1,293,906	10	9.02
Services and Supplies	\$ 556,612	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 556,612		
<b>SCR 007 - Agency Support</b>									
Package 099: Microsoft 365									
Services and Supplies	\$ (20,107)	\$ -	\$ 305	\$ -	\$ -	\$ -	\$ (19,802)		
Package 100: Police Accountability & Wellness									
Personal Services	\$ 2,015,899	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 2,015,899	8	7.40
Services and Supplies	\$ 263,550	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 263,550		
Capital Outlay	\$ 726,000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 726,000		
Package 104: Rent Allocation Budget Shortfall									
Personal Services	\$ (976,613)	\$ -	\$ 976,613	\$ -	\$ -	\$ -	\$ -	0	0.00
Services and Supplies	\$ 1,497,085	\$ -	\$ (1,110,491)	\$ -	\$ -	\$ -	\$ 386,594		
Package 109: Vehicle									
Capital Outlay	\$ -	\$ -	\$ 77,080	\$ -	\$ -	\$ -	\$ 77,080		
Package 801: LFO Analyst Adjustments									
Personal Services	\$ 183,529	\$ -	\$ -	\$ -	\$ (183,529)	\$ -	\$ -	0	0.00
Services and Supplies	\$ 1,821	\$ -	\$ -	\$ -	\$ (1,821)	\$ -	\$ -		
<b>SCR 008 - Criminal Justice Information System</b>									
Package 099: Microsoft 365									
Services and Supplies	\$ (6,094)	\$ -	\$ (14,087)	\$ -	\$ (121,703)	\$ -	\$ (141,884)		
Package 104: Rent Allocation Budget Shortfall									
Services and Supplies	\$ 246,537	\$ -	\$ (6,054)	\$ -	\$ -	\$ -	\$ 240,483		
Package 801: LFO Analyst Adjustments									
Personal Services	\$ 2,737	\$ -	\$ 2,615	\$ -	\$ -	\$ -	\$ 5,352	0	0.00
Services and Supplies	\$ (2,737)	\$ -	\$ (2,615)	\$ -	\$ -	\$ -	\$ (5,352)		
Package 803: Background Check Unit									
Personal Services	\$ -	\$ -	\$ 2,220,084	\$ -	\$ -	\$ -	\$ 2,220,084	17	14.96
Services and Supplies	\$ -	\$ -	\$ 165,750	\$ -	\$ -	\$ -	\$ 165,750		
<b>SCR 009 - Gaming Enforcement Division</b>									
Package 099: Microsoft 365									
Services and Supplies	\$ -	\$ -	\$ (7,176)	\$ -	\$ -	\$ -	\$ (7,176)		
Package 104: Rent Allocation Budget Shortfall									
Services and Supplies	\$ -	\$ -	\$ (81,693)	\$ -	\$ -	\$ -	\$ (81,693)		



DESCRIPTION	GENERAL FUND	LOTTERY FUNDS	OTHER FUNDS		FEDERAL FUNDS		TOTAL ALL FUNDS	POS	FTE
			LIMITED	NONLIMITED	LIMITED	NONLIMITED			
<b>SCR 044 - Office of State Fire Marshal</b>									
Package 099: Microsoft 365									
Services and Supplies	\$ (556)	\$ -	\$ (39,654)	\$ -	\$ -	\$ -	\$ (40,210)		
Package 104: Rent Allocation Budget Shortfall									
Services and Supplies	\$ -	\$ -	\$ (623,966)	\$ -	\$ -	\$ -	\$ (623,966)		
Package 805: Oregon Safety Assessment Program									
Personal Services	\$ 242,517	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 242,517	2	1.34
Services and Supplies	\$ 47,400	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 47,400		
Capital Outlay	\$ 35,083	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 35,083		
<b>TOTAL ADJUSTMENTS</b>	<b>\$ 35,487,254</b>	<b>\$ (747)</b>	<b>\$ (11,502,939)</b>	<b>\$ -</b>	<b>\$ 612,122</b>	<b>\$ -</b>	<b>\$ 24,595,690</b>	<b>73</b>	<b>60.41</b>
<b>SUBCOMMITTEE RECOMMENDATION *</b>	<b>\$ 387,047,529</b>	<b>\$ 11,068,651</b>	<b>\$ 166,393,237</b>	<b>\$ -</b>	<b>\$ 13,815,647</b>	<b>\$ -</b>	<b>\$ 578,325,064</b>	<b>1,425</b>	<b>1,411.41</b>
% Change from 2019-21 Leg Approved Budget	35.0%	6.8%	(32.4%)	0.0%	0.3%	0.0%	3.9%	(0.1%)	1.7%
% Change from 2021-23 Current Service Level	10.1%	(0.0%)	(6.5%)	0.0%	4.6%	0.0%	4.4%	5.4%	4.5%

\*Excludes Capital Construction Expenditures

**2019-21 BUDGET ACTIONS**

<b>SCR 044 - Office of State Fire Marshal</b>									
Special Payments (6030-Dist to Non-Gov Units)	\$ 268,200	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 268,200		
<b>TOTAL ADJUSTMENTS</b>	<b>\$ 268,200</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 268,200</b>		

# Legislatively Approved 2021 - 2023 Key Performance Measures

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**Agency:** State Police, Oregon

**Mission Statement:**

Founded in 1931, the mission of the Oregon State Police is to serve the State of Oregon with a diverse workforce dedicated to the protection of people, property and natural resources.

Legislatively Approved KPMs	Metrics	Agency Request	Last Reported Result	Target 2022	Target 2023
1. Transportation Safety - Enhance transportation safety by reducing fatal crashes on state and interstate highways to fewer than 5.06 per 100,000,000 vehicle miles traveled (VMT) where the Oregon State Police (OSP) have primary responsibility.		Approved	9.19	5.06	5.06
2. Traffic Incident Management - Percent of lane blocking crashes cleared within 90 minutes.		Approved	75%	80%	80%
4. Ignition Interlock Device Compliance - Increase compliance with the requirement of offenders to install Ignition Interlock Devices to reduce crashes and improve transportation safety on Oregon roadways.		Approved	19%	45%	55%
5. Angler and Hunter Contacts - Increase interactions with anglers and hunters.		Approved	84,568	85,000	85,000
6. Illegal Harvest - Improve detection of illegally harvested non-commercial fish and wildlife.		Approved		2,000	2,000
7. Crime Reduction - Percent of major crime team call-outs resolved within 12 months from date of call-out.		Approved	96%	95%	95%
8. Crime Reduction - Number of Dismantled or Disrupted Drug Trafficking Organizations (DTO's).		Approved	73	45	45
9. Forensic Analysis - Percentage of analytical requests completed within 30 days or less.		Approved	28%	74%	77%
10. Criminal Justice Information Services (CJIS) Division Turnaround Time - Average turnaround time, from the date of receipt of manual and electronic criminal justice fingerprint cards by the CJIS Division, until the criminal justice data is posted into the Computerized Criminal History (CCH) Files.	Manual Fingerprint Cards Average Turnaround (Days)	Approved	12.60	4	4
	a) Electronic Fingerprint Cards Average Turnaround (Hours)		2.55	2	2
11. Property Protection - The percentage of threatened residential and commercial properties saved from destruction by an approaching wildfire after initiation of operations by OSFM mobilized resources.		Approved	100%	100%	100%
12. RESIDENTIAL FIRE DEATH RATE: - Number of Oregonians per capita that die in a residential fire.		Approved	3.30	4.10	4.10
13. Customer Satisfaction - Percent of customers rating their satisfaction with the agency customer service as "good" or "excellent": overall customer service, timeliness, accuracy, helpfulness, expertise and availability of information.	1) Timeliness	Approved	71%	90%	90%
	2) Helpfulness		100%	95%	95%
	3) Expertise		96%	100%	100%
	4) Availability of Information		85%	90%	90%
	5) Accuracy		94%	95%	95%
	6) Overall		89%	90%	90%

Legislatively Approved KPMs	Metrics	Agency Request	Last Reported Result	Target 2022	Target 2023
3. Criminal Apprehension/Detection - Reduce criminal activity on Oregon's transportation system through the Criminal Apprehension through Patrol Enforcement (CAPE) program, by achieving a percentage of traffic stops resulting in an arrest or criminal citation due to the detection illegal activities.		Legislatively Deleted	1.53%	1.54%	
6. Illegal Harvest - Improve detection of illegally harvested fish and wildlife.		Legislatively Deleted	4,408	6,500	

**LFO Recommendation:**

The Legislative Fiscal Office recommends the agency's proposal to delete KPM #3, Criminal Apprehension/Detection, which quantifies a percentage of traffic stops that result in an arrest or criminal citation due to the detection of illegal activities. While the agency will continue to use this measure internally and report data to the Criminal Justice Commission annually, it will rely on KPMs #1, #2, and #4 to measure the effectiveness of the Patrol Division in keeping motorists safe on Oregon's highways.

The agency proposes to replace the target number in KPM #6, Illegal Harvest, to better reflect the Fish and Wildlife Division's primary goal, which is to deter individuals from violating Oregon's wildlife laws. The current target number for this measure captures all illegal harvests, including those from commercial activities and from shellfish harvests, and obscures the Division's efforts to reduce the number of fish and wildlife violations committed during sporting or recreational activities. The proposed target better aligns with the original intent of this KPM by displaying only illegal fish and wildlife harvests resulting from recreational hunting and fishing activities.

The Legislative Fiscal Office recommends approval of the remaining 2021-23 Key Performance Measures as presented.

**SubCommittee Action:**

The Subcommittee approved the Key Performance Measures and targets as presented and discussed.

**SB 762 C BUDGET REPORT and MEASURE SUMMARY**

**Carrier:** Sen. Golden

**Joint Special Committee On SB 762**

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**Action Date:** 06/24/21

**Action:** Do pass with amendments to the B-Eng bill. (Printed C-Eng.)

**Senate Vote**

**Yeas:** 3 - Hansell, President Courtney, Wagner

**House Vote**

**Yeas:** 3 - Drazan, Smith Warner, Speaker Kotek

**Prepared By:** Renee Klein and Michelle Lisper, Department of Administrative Services

**Reviewed By:** Kim To, Legislative Fiscal Office

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**Department of Environmental Quality**

**2021-23**

**Department of Forestry**

**2021-23**

**Department of Human Services**

**2021-23**

**Higher Education Coordinating Commission**

**2021-23**

**Office of the Governor**

**2021-23**

**Oregon Health Authority**

**2021-23**

**Department of State Police – Office of the State Fire Marshall**

**2021-23**

**Military Department – Office of Emergency Management**

**2021-23**

**SB 762 C BUDGET REPORT and MEASURE SUMMARY**

**Public Utility Commission  
2021-23**

**Budget Summary\***

	2019-21	2021-23	Committee Change from 2019-21	
	Legislatively Approved Budget	Committee Recommendation	Committee Change from 2019-21 Leg. Approved	
			\$ Change	% Change
<b>Department of Environmental Quality</b>				
General Fund	\$ -	\$ 3,322,828	\$ 3,322,828	100.0%
Total	\$ -	\$ 3,322,828	\$ 3,322,828	100.0%
<b>Department of Forestry</b>				
General Fund	\$ -	\$ 54,076,832	\$ 54,076,832	100.0%
Other Funds	\$ -	\$ 12,982,007	\$ 12,982,007	100.0%
Total	\$ -	\$ 67,058,839	\$ 67,058,839	100.0%
<b>Oregon Department of Human Services</b>				
General Fund	\$ -	\$ 5,187,411	\$ 5,187,411	100.0%
Total	\$ -	\$ 5,187,411	\$ 5,187,411	100.0%
<b>Higher Education Coordinating Commission</b>				
General Fund	\$ -	\$ 12,781,708	\$ 12,781,708	100.0%
Total	\$ -	\$ 12,781,708	\$ 12,781,708	100.0%
<b>Office of the Governor</b>				
General Fund	\$ -	\$ 497,541	\$ 497,541	100.0%
Total	\$ -	\$ 497,541	\$ 497,541	100.0%
<b>Oregon Health Authority</b>				
General Fund	\$ -	\$ 4,768,812	\$ 4,768,812	100.0%
Total	\$ -	\$ 4,768,812	\$ 4,768,812	100.0%
<b>Oregon State Police - Office of the State Fire Marshall</b>				
General Fund	\$ -	\$ 100,506,889	\$ 100,506,889	100.0%
Other Funds	\$ -	\$ 25,000,000	\$ 25,000,000	100.0%
Total	\$ -	\$ 125,506,889	\$ 125,506,889	100.0%
<b>Oregon Military Department - Office of Emergency Management</b>				
General Fund	\$ -	\$ 700,003	\$ 700,003	100.0%
Total	\$ -	\$ 700,003	\$ 700,003	100.0%
<b>Public Utilities Commission</b>				
Other Funds	\$ -	\$ 324,286	\$ 324,286	100.0%
Total	\$ -	\$ 324,286	\$ 324,286	100.0%

\* Excludes Capital Construcion Expenditures

## Position Summary

### **Department of Environmental Quality**

Authorized Positions	0	7	7
Full-time Equivalent (FTE) positions	0.00	5.81	5.81

### **Department of Forestry**

Authorized Positions	0	108	108
Full-time Equivalent (FTE) positions	0.00	80.40	80.40

### **Oregon Department of Human Services**

Authorized Positions	0	1	1
Full-time Equivalent (FTE) positions	0.00	1.00	1.00

### **Higher Education Coordinating Commission**

Authorized Positions	0	3	3
Full-time Equivalent (FTE) positions	0.00	3.00	3.00

### **Office of the Governor**

Authorized Positions	0	1	1
Full-time Equivalent (FTE) positions	0.00	1.00	1.00

### **Oregon Health Authority**

Authorized Positions	0	4	4
Full-time Equivalent (FTE) positions	0.00	3.13	3.13

### **Oregon State Police - Office of the State Fire Marshall**

Authorized Positions	0	56	56
Full-time Equivalent (FTE) positions	0.00	49.73	49.73

### **Oregon Military Department - Office of Emergency Management**

Authorized Positions	0	2	2
Full-time Equivalent (FTE) positions	0.00	2.00	2.00

### **Public Utilities Commission**

Authorized Positions	0	1	1
Full-time Equivalent (FTE) positions	0.00	1.00	1.00

## **Summary of Revenue Changes**

SB 762 provides \$220,148,317 million total funds to nine agencies for the purposes of implementing a statewide comprehensive strategy to promote wildfire risk reduction, response and recovery. The bill provides the following funding for the 2021-23 biennium:

- Appropriates \$3,322,828 General Fund to Department of Environmental Quality (DEQ) for the purpose of developing and implementing programs related to wildfire smoke.
- Appropriates \$54,076,832 General Fund and \$12,982,007 Other Funds expenditure limitation to the Oregon Department of Forestry (ODF) to develop a statewide map of wildfire risk, design and implement a program to reduce wildfire risk, establish a small woodland grant program, adopt rules related to prescribed fire, determine baseline levels of fire protection for areas outside forest protection districts, establish an expanded system of automated smoke detection cameras, and provide staffing support to the Wildfire Programs Advisory Council.
- Appropriates \$5,187,411 General Fund to the Oregon Department of Human Services (ODHS) to act as the lead agency for clean air shelter operations.
- Appropriates \$11,643,668 General Fund to the Higher Education Coordinating Commission (HECC) for establishment of the Oregon Wildfire Workforce Advisory Committee to manage the Oregon Wildfire Workforce Corps Program and associated grant program. The bill also appropriates \$1,138,040 General Fund to HECC to distribute to Oregon State University for collaboration efforts with ODF on the wildfire risk map.
- Appropriates \$497,541 General Fund to the Office of the Governor for a State Wildfire Program Director and to provide support to the Wildfire Programs Advisory Council.
- Appropriates \$4,768,812 General Fund to the Oregon Health Authority (OHA) to implement a grant program allowing local governments to establish clean air shelters and equip public buildings with smoke filtration systems.
- Appropriates \$100,506,889 General Fund to the Oregon State Police (OSP) Oregon State Fire Marshal (OSFM) to increase wildfire readiness capacity. The bill also establishes the Community Risk Reduction Fund separate from the General Fund to carry out community risk reduction and local government financial assistance, \$25,000,000 of the appropriated funds are for deposit in the fund. The bill also increased Other Funds expenditure limitation by \$25,000,000 for OSFM for the purpose of implementing Community Risk Reduction Grants using monies from the fund.
- Appropriates \$700,003 General Fund to the Oregon Military Department (OMD) for the Office of Emergency Management (OEM) to update its statewide emergency plan to prepare and respond to wildfire emergencies.



- Increases Other Funds expenditure limitation by \$324,286 for the Public Utility Commission (PUC) to convene workshops to assist public utilities develop, and operate in compliance with, a risk-based wildfire protection plan. PUC is required to establish an automatic adjustment clause or another method to allow timely recovery of the costs associated with this work.

### **Summary of Measure Provisions and Expenditure Adjustments**

SB 762 provides statewide comprehensive strategies to promote wildfire risk reduction, response and recovery. The measure includes appropriations totaling \$181,842,024 General Fund, \$38,306,293 Other Funds expenditure limitation and 183 positions (147.07 FTE) to implement the provisions of the bill across various agencies.

#### **Department of Environmental Quality**

The bill requires DEQ to develop and implement three interrelated programs around wildfire smoke and its impacts to communities. The measure includes a one-time General Fund appropriation totaling \$3,322,828 and establishment of seven limited duration positions (5.81 FTE) for DEQ to meet the provisions of the bill. The programs include:

- Support to local communities, in detecting, preparing for, communicating or mitigating the environmental and public health impacts of wildfire smoke. The Department will hire two limited duration Natural Resource Specialist 4's (1.66 FTE) to support state and local partners with communication and mitigation at a cost of \$486,698 General Fund including services and supplies.
- Support to local communities through intergovernmental agreements, grants, contracts or cooperative agreements to develop and implement community response plans to enhance readiness and mitigation capacity for wildfire smoke. The program will receive \$1,720,682 General Fund. Of the total, \$1,500,000 of one-time funding will be available for grants or cooperative agreements and the Department will utilize a limited duration Program Analyst 2 position (0.83 FTE) to administer the program.
- Supporting communities across Oregon in monitoring, interpreting and communicating data related to ambient air quality conditions. For this work, DEQ will receive one time General Fund of \$1,115,448 and four limited duration positions in the Natural Resource Specialist field (3.32 FTE) to build, deploy, and maintain an expanded smoke monitoring network, compile data and forecasting, and provide technical support to communities interested in setting up their own monitoring equipment. Of these costs, \$230,000 is for meteorological equipment and monitoring systems and \$30,000 is for IT system upgrades to support additional data.

#### **Department of Forestry**

The bill requires the Oregon Board of Forestry to establish a definition of "wildland-urban interface" by rule and to establish a criteria by which the wildland-urban interface must be identified and classified, establishing five classes of wildland-urban interface. The State Forestry Department is required to develop programs to reduce overall wildfire risk in Oregon, increase wildfire response capacity, and create a small woodland grant program. The measure provides \$67,058,839 total funds and 108 positions (80.40 FTE) to meet the provisions of the bill. The

increase in staffing capacity to carry out the work required includes 62 permanent seasonal positions, 13 limited duration positions, and 33 permanent positions.

ODF is required to take on several activities related to reducing overall wildfire risk in Oregon. These activities include landscape restoration work, development and maintenance of a statewide map of wildfire risk including wildland interface fire protection information, clarification of rules for prescribed fire, and rules establishing baseline levels of wildfire protection for non-protected ODF lands. ODF is also required to provide 0.15 FTE to support to the Wildfire Programs Advisory Council. To perform the work, ODF received \$21,731,188 total funds, as well as 15 positions (15.00 FTE). The increased staffing and associated services and supplies for this work will allow ODF the capacity to administer and develop the programs and associated rules, oversee any contracts and agreements, and conduct projects necessary to meet the goals of the bill.

The bill directs ODF to increase overall wildfire response capacity. For this, ODF will need to establish and maintain an expanded system of automated smoke detection cameras, which includes staffing in detection centers. In addition to this work, the Department will need to assess the current wildfire response capacity, identify gaps and needs, and increase response capacity to assist with mitigation and wildfire response efforts. The bill provides \$20,827,651 total funds and 93 positions (65.40 FTE) to perform assessment work and build capacity in the Department. An additional \$15,000,000 of one-time General Fund is provided for the purpose of providing rate subsidy to offset landowner assessment rates attributable to increased wildfire response capacity required, as part of the bill. Finally, an additional \$4,500,000 General Fund is provided for assistance to non-governmental units for wildfire response capacity issues.

The Department is also required to establish a small woodland grant program to provide competitive grants to support small woodland owners in reducing wildfire risk, through the restoration of landscape resiliency and the reduction of hazardous fuels on the owners' small woodlands. ODF will receive \$5,000,000 General Fund for this program.

### **Department of Human Services**

The bill designates DHS as the lead state agency for clean air shelter operations. To perform this work, DHS will coordinate with OHA in setting priorities for awarding grants; consult and collaborate with OHA to align practices for voluntary evacuation and emergency sheltering operations; and provide support to local agencies that take lead roles in operating and planning clean air shelters in the local agencies' jurisdiction. The measure includes a one-time \$5,187,411 General Fund appropriation and one limited duration position (1.00 FTE). This funding includes personal services and related services and supplies for one Administrative Specialist 2 position to work with existing staff to support the administration and disbursement of grant funds, as well as \$5,000,000 in grant funds.

### **Higher Education Coordinating Commission**

The bill establishes the Oregon Wildfire Workforce Corps Program to reduce the risk wildfire poses to communities and critical infrastructure, as well as the Oregon Wildfire Workforce Corps Fund for grants and administrative expenses of the program. The bill also establishes the

Oregon Wildfire Workforce Advisory Committee, within HECC, to manage the Oregon Wildfire Workforce Corps Program. The Oregon Wildfire Workforce Advisory Committee is responsible for administering a grant process that provides funding to support the work conducted by the Oregon Wildfire Workforce Corps Program. The Committee is required to consult with ODF to ensure the grant process awards funds to proposals that protect at-risk communities and infrastructure within the wildland-urban interface. The Committee is required to submit a biennial report to a committee of the legislature regarding the expenditure of moneys deposited in the Oregon Wildfire Workforce Corps Fund. The bill provides an appropriation of \$11,643,668 General Fund and three positions (3.00 FTE). The funding includes \$10,000,000 to be deposited into the Oregon Conservation Corps Fund, \$1,000,000 to match private donations that are donated for the purposes of funding grant supported projects related to the Oregon Conservation Corps Program, as well as personal services and services and supplies costs to support program operations.

In addition to the funding for HECC to administer the program, the measure includes an additional appropriation of \$1,138,040 General Fund to HECC, to be distributed to Oregon State University. This includes funding for development and maintenance of the wildfire risk map, hosting costs associated with the map, and collaboration with ODF on the development of the 20-year strategic plan for landscape restoration.

#### **Office of the Governor**

The bill requires the Office of the Governor to appoint a State Wildfire Programs Director and specifies the duties of the Director, which include overseeing implementation of requirements of the bill, coordinating and integrating activities of state agencies and other entities, and supervising staffing of the Wildfire Programs Advisory Council. The bill establishes the Wildfire Programs Advisory Council to advise and assist the Director. DCBS, DLCD, ODF, and the Office of the State Fire Marshall shall provide support to the Council and the Director; the OSU Extension Service will designate a person to staff the Council. For the Office of the Governor, the measure includes a one-time appropriation of \$497,541 General Fund and one limited duration Principle Executive Manager H position (1.00 FTE), this amount also includes services and supplies costs associated with the position.

#### **Oregon Health Authority**

The bill directs OHA, in consultation with ODHS, to establish and implement a grant program that allows local governments to establish emergency clean air shelters and equip public buildings with smoke filtration systems so these buildings can serve as cleaner air spaces during poor air quality events. The bill also requires OHA to establish a program to increase the availability of smoke filtration systems among persons more vulnerable to the health effects of wildfire smoke who reside in areas susceptible to wildfire smoke and authorizes OHA to issue grants for the purchase of smoke filtration devices. OHA is required to report periodically to a committee of the legislature on the use of clean air shelters, smoke filtration systems, and the effectiveness of these programs.

The measure includes \$4,768,812 one-time General Fund and four limited duration positions (3.13 FTE). This funding includes \$4 million in grant funds, as well as the following positions: one Research Analyst 4 position to work directly with Medicaid information to determine the need of the individual requesting a grant and to work with additional data to determine the other conditions that qualify the grant request;

one Operations and Policy Analyst 3 position to work with other agencies outlined in the measure to write rules and policy for both the clean air shelter grant program and the smoke filtration system grants; one Fiscal Analyst 2 position to process the approved grant requests, work with the Office of Contracts and Procurement and Budget, and report on grants established under both programs; and, one Operations and Policy Analyst 3 position in the Public Health Division to evaluate public health messaging around clean air shelters, support the setting of priorities for awarding grants, analyze population and geospatial hazard data, and evaluate performance of clean air shelters from a public health emergency operations perspective.

### **Department of State Police – Office of the State Fire Marshal**

The bill directs OSFM to establish minimum defensible space requirements for wildfire risk reduction on lands in areas identified on the comprehensive statewide map of wildfire risk as within the wildland-urban interface. The measure defines “defensible space” as a natural or human-made area in which material capable of supporting the spread of fire has been treated, cleared, or modified to slow the rate and intensity of advancing wildfire and allow space for fire suppression operations to occur. In establishing the requirements, OSFM must consult with the Oregon Fire Code Advisory Board and select standards from the framework set forth in the International Wildland-Urban Interface Code published by the International Code Council. Subject to additional local requirements, the requirements must apply statewide for all lands of the type identified in the map. OSFM must periodically reexamine the standards set forth in the International Wildland-Urban Interface Code and update the State Fire Marshal’s standards to reflect current best practices.

To implement the Community Risk Reduction Program, to administer and enforce minimum defensible space standards, and to increase the office’s wildfire readiness and response capacity, the bill appropriates \$13,506,889 General Fund and authorized 56 positions (49.73 FTE). This funding includes services and supplies and capital outlay expenditures associated with each new position. Positions will be allocated as follows:

- 14 positions for fire response coordination, safety response capacity, fire leadership, support for the Incident Management Teams, and fire prevention strategies.
- 11 positions to implement the Fire Adapted Communities and Community Preparedness goals identified in the November 2019 Governor’s Council on Wildfire Response report. These positions will prepare communities for fire by identifying, defining, and prioritizing the risk to Oregon communities and utilizes an integrated and strategic investment of resources to reduce fire occurrence and impact. Targeted efforts include improving structural resiliency to wildfire, enhancing defensible space for homes and surrounding structures, ensuring adequate access and egress in the event of wildfire events, and overall improvement of structural fire prevention efforts through community risk reduction efforts.
- 12 positions for compliance inspections required by the new wildland-urban interface defensible space standards.
- 11 positions for the Community Risk Reduction program, including three positions to administer grants from the Community Risk Reduction Fund (below).
- 3 Geographic Information System specialists for mapping related to the new defensible space requirements

- 5 management and administrative support positions

For community activities and educational programs required for the Community Risk Reduction program, the measure includes an appropriation of \$7,000,000 General Fund, and appropriated \$25,000,000 General Fund for deposit into the Community Risk Reduction Fund. Other Funds expenditure limitation of \$25,000,000 was approved for expenditures from the Community Risk Reduction Fund. Moneys in the Fund are continuously appropriated to the OSFM to carry out community risk reduction and local government financial assistance.

The bill directs OSFM to modernize and enhance the Oregon Fire Mutual Aid System to increase the office's wildfire readiness and response capacity. The measure provides \$55 million General Fund to support fire prevention and response personnel, to pre-position firefighting resources statewide, and to enter into contracts for fire prevention, suppression, coordination, and response.

#### **Military Department – Office of Emergency Management**

The bill directs OEM to update its statewide emergency plan as necessary to prepare for or respond to wildfire emergencies on an area-wide or statewide basis. OEM shall coordinate with cities, counties, adult foster homes, health care and residential facilities, and OHA to establish local or private procedures to prepare for emergencies related to wildfire. The coordinated activities may include providing training, carrying out exercises and promoting community education. OEM will receive an appropriation of \$700,003 General Fund, including two permanent full-time positions (2.00 FTE). The positions include one PEM E to manage the program and an Operation and Policy Analyst 4 to coordinate the public private partnership.

#### **Public Utility Commission**

The bill directs PUC to periodically convene workshops to help public utility providers develop and share information for the identification, adoption and carrying out of best practices regarding wildfires, including, but not limited to, risk-based wildfire protection and risk-based wildfire mitigation procedures and standards. The measure requires a public utility that provides electricity to have, and operate in compliance with, a risk-based wildfire protection plan approved by PUC. In consultation with ODF and local emergency services agencies, PUC must evaluate and approve or approve with conditions a public utility's wildfire protection plan within 180 days of receiving the plan. The measure includes \$324,286 Other Funds expenditure limitation and one permanent position (1.00 FTE). The funding supports one Utility and Energy Analyst 3 position, as well as related Services and Supplies costs to carry out the work required in the bill.

Department of Environmental Quality, Department of Forestry, Oregon Department of Human Services, Higher Education Coordinating Commission,  
Office of the Governor, Oregon Health Authority, Department of State Police, Oregon Military Department, Public Utility Commission  
Renee Klein - 971-283-1841 and Michelle Lisper 971-283-6360

DESCRIPTION	GENERAL FUND	LOTTERY FUNDS	OTHER FUNDS		FEDERAL FUNDS		TOTAL ALL FUNDS	POS	FTE
			LIMITED	NONLIMITED	LIMITED	NONLIMITED			
<b>SUBCOMMITTEE ADJUSTMENTS</b>									
<b>Department of Environmental Quality</b>									
<b>SCR 001 - Air Quality</b>									
Personal Services	\$ 1,131,519	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 1,131,519	7	5.81
Services and Supplies	\$ 691,309	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 691,309		
Special Payments	\$ 1,500,000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 1,500,000		
<b>Department of Forestry</b>									
<b>SCR 008 - Agency Administration</b>									
Personal Services	\$ -	\$ -	\$ 1,191,605	\$ -	\$ -	\$ -	\$ 1,191,605	6	6.00
Services and Supplies	\$ -	\$ -	\$ 275,753	\$ -	\$ -	\$ -	\$ 275,753		
<b>SCR 010 - Fire Protection</b>									
Personal Services	\$ 3,749,727	\$ -	\$ 8,417,209	\$ -	\$ -	\$ -	\$ 12,166,936	88	60.40
Services and Supplies	\$ 3,939,170	\$ -	\$ 2,152,708	\$ -	\$ -	\$ -	\$ 6,091,878		
Special Payments	\$ 17,454,915	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 17,454,915		
Capital Outlay	\$ 467,423	\$ -	\$ 944,732	\$ -	\$ -	\$ -	\$ 1,412,155		
<b>SCR 020 - Equipment Pool</b>									
Personal Services	\$ 414,884	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 414,884	2	2.00
Services and Supplies	\$ 60,000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 60,000		
<b>SCR 040 - Federal Forest Restoration</b>									
Personal Services	\$ 2,307,897	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 2,307,897	12	12.00
Services and Supplies	\$ 23,637,731	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 23,637,731		
<b>Oregon Department of Human Services</b>									
<b>SCR 010-40 - Central Services</b>									
Personal Services	\$ 145,890	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 145,890	1	1.00
Services and Supplies	\$ 41,521	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 41,521		
Special Payments	\$ 5,000,000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 5,000,000		
<b>Higher Education Coordinating Commission</b>									
<b>SCR 206 - Workforce Investments</b>									
Personal Services	\$ 560,203	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 560,203	3	3.00
Services and Supplies	\$ 83,465	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 83,465		
Special Payments-6060 Intra-Agency GF Transfer	\$ 10,000,000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 10,000,000		
Special Payments	\$ 1,000,000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 1,000,000		

DESCRIPTION	GENERAL FUND	LOTTERY FUNDS	OTHER FUNDS		FEDERAL FUNDS		TOTAL ALL FUNDS	POS	FTE
			LIMITED	NONLIMITED	LIMITED	NONLIMITED			
<b>SCR 210 - Public University State Programs</b>									
Special Payments	\$ 1,138,040	\$ -	\$ -	\$ -	\$ -	\$ -	1,138,040		
<b>Office of the Governor</b>									
<b>SCR 001 - General Program</b>									
Personal Services	\$ 466,774	\$ -	\$ -	\$ -	\$ -	\$ -	466,774	1	1.00
Services and Supplies	\$ 30,767	\$ -	\$ -	\$ -	\$ -	\$ -	30,767		
<b>Oregon Health Authority</b>									
<b>SCR 030-01 Health Systems Division</b>									
Personal Services	\$ 434,821	\$ -	\$ -	\$ -	\$ -	\$ -	434,821	3	2.25
Services and Supplies	\$ 98,637	\$ -	\$ -	\$ -	\$ -	\$ -	98,637		
Special Payments	\$ 4,000,000	\$ -	\$ -	\$ -	\$ -	\$ -	4,000,000		
<b>SCR 030-05 Public Health</b>									
Personal Services	\$ 197,238	\$ -	\$ -	\$ -	\$ -	\$ -	197,238	1	0.88
Services and Supplies	\$ 38,116	\$ -	\$ -	\$ -	\$ -	\$ -	38,116		
<b>Department of State Police</b>									
<b>SCR 044 - Office of the State Fire Marshall</b>									
Personal Services	\$ 11,162,139	\$ -	\$ -	\$ -	\$ -	\$ -	11,162,139	56	49.73
Services and Supplies	\$ 1,749,750	\$ -	\$ -	\$ -	\$ -	\$ -	1,749,750		
Special Payments	\$ 62,000,000	\$ -	\$ 25,000,000	\$ -	\$ -	\$ -	87,000,000		
Special Payments-6060 Intra-Agency GF Transfer	\$ 25,000,000	\$ -	\$ -	\$ -	\$ -	\$ -	25,000,000		
Capital Outlay	\$ 595,000	\$ -	\$ -	\$ -	\$ -	\$ -	595,000		
<b>Oregon Military Department</b>									
<b>SCR 003 - Office of Emergency Management</b>									
Personal Services	\$ 579,857	\$ -	\$ -	\$ -	\$ -	\$ -	579,857	2	2.00
Services and Supplies	\$ 120,146	\$ -	\$ -	\$ -	\$ -	\$ -	120,146		
<b>Public Utility Commission</b>									
<b>SCR 001 - Utility Regulation</b>									
Personal Services	\$ -	\$ -	\$ 267,630	\$ -	\$ -	\$ -	267,630	1	1.00
Services and Supplies	\$ -	\$ -	\$ 56,656	\$ -	\$ -	\$ -	56,656		
<b>TOTAL SUBCOMMITTEE ADJUSTMENTS</b>	<b>\$ 181,842,024</b>	<b>\$ -</b>	<b>\$ 38,306,293</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>220,148,317</b>	<b>183</b>	<b>147.07</b>

**SB 5506 A BUDGET REPORT and MEASURE SUMMARY**

**Carrier:** Sen. Johnson

**Joint Committee On Ways and Means**

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**Action Date:** 06/24/21

**Action:** Do pass with amendments. (Printed A-Eng.)

**Senate Vote**

**Yeas:** 12 - Anderson, Frederick, Girod, Golden, Gorsek, Hansell, Johnson, Knopp, Lieber, Steiner Hayward, Taylor, Thomsen

**House Vote**

**Yeas:** 10 - Bynum, Drazan, Gomberg, Leif, McLain, Nosse, Rayfield, Sanchez, Sollman, Stark

**Exc:** 1 - Smith G

**Prepared By:** Jean Gabriel, Department of Administrative Services

**Reviewed By:** Amanda Beitel, Legislative Fiscal Office

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**Capital Construction – Various Agencies**

**2021-23**

**Capital Construction – Military Department and Higher Education Coordinating Commission**

**2019-21**

**Capital Construction – Military Department and Higher Education Coordinating Commission**

**2017-19**



## **Budget Summary**

	<b>2019-21 Legislatively Approved Budget</b>	<b>2021-23 Committee Recommendation</b>	<b>Committee Change from 2019- 21 Legislatively Approved</b>	
			<u>\$ Change</u>	<u>% Change</u>
Other Funds Capital Construction	\$ 805,033,837	\$ 1,474,928,925	\$ 669,895,088	83.2%
Federal Funds Capital Construction	\$ 65,271,000	\$ 34,869,187	\$ (30,401,813)	-46.6%
Total	\$ 870,304,837	\$ 1,509,798,112	\$ 639,493,275	73.5%

## **2019-21 Supplemental Expenditure Limitation Adjustments**

### **Oregon Military Department**

Boardman Tactical Unmanned Aerial Vehicle Facility (Federal Funds)	\$ 3,000,000	\$ 3,000,000
Umatilla Wastewater Treatment Facility & Water Supply Line (Federal Funds)	\$ 2,075,000	\$ 2,075,000

### **Higher Education Coordinating Commission**

Blue Mtn CC - Facility for Agricultural Resource Management, Ph II (Other Funds)	\$ (1,500,000)	\$ (1,500,000)
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## **2017-19 Supplemental Expenditure Limitation Adjustments**

### **Oregon Military Department**

Camp Umatilla Regional Training Institute Re-Set (Federal Funds)	\$ 4,200,000	\$ 4,200,000
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### **Higher Education Coordinating Commission**

Blue Mtn CC - Facility for Agricultural Resource Management, Ph II (Other Funds)	\$ (5,000,000)	\$ (5,000,000)
Clatsop CC - Maritime Science Building (Other Funds)	\$ (7,996,994)	\$ (7,996,994)
Mt. Hood CC - Maywood Park Center (Other Funds)	\$ (8,000,000)	\$ (8,000,000)
Oregon Coast CC - Workforce Education & Resiliency Center (Other Funds)	\$ (8,000,000)	\$ (8,000,000)

## **Revenue Summary**

Other Fund revenues include proceeds from the issuance of general obligation bonds authorized under Article XI-Q, XI-G and XI-F(1) of Oregon's Constitution, the depreciation component of the Uniform Rent program and other deposits in the Department of Administrative Services Capital Projects Fund established by ORS 276.005, aircraft registration fees assessed in accordance with ORS 837.040 and 837.045, insurance proceeds, as well as state gasoline tax and driver and vehicle related fees. Federal Funds revenues are from the National Guard Bureau and the Federal Aviation Administration.

## Summary of Capital Construction Subcommittee Action

SB 5506 provides six-year expenditure limitation for capital construction projects. Projects in excess of \$1.0 million for the acquisition of land and the acquisition, planning, constructing, altering, repairing, furnishing, and equipping of building and facilities are categorized as capital construction projects. In addition, SB 5506 extends the six-year expiration dates and expenditure limitations for specified projects as well as removes or modifies expenditure limitation amounts for specified projects approved in prior biennia.

### Oregon Department of Administrative Services

**Deferred Maintenance:** \$15,500,000 Other Funds (Capital Projects Fund) is approved for various capital and tenant improvements in multiple DAS-owned buildings. These improvements include: roof replacements for the Commerce Building, Salem Motor Pool, and the Agricultural Building; replacement of lighting packages and supporting electrical infrastructure for energy efficiency in multiple buildings; replacement and upgrade of elevator controls in various facilities; and upgrades to HVAC systems in multiple buildings.

**Gender Neutral Facilities and Mothers' Rooms:** \$10,000,000 Other Funds (Capital Projects Fund) is approved to design and construct mothers' lactation rooms, wellness rooms, and gender neutral bathrooms in multiple DAS-owned buildings.

**Capitol Mall Parking Structure Improvements:** \$2,750,000 Other Funds (Capital Projects Fund) is approved to make structural and seismic safety repairs and storm water handling system repairs to the Capitol Mall parking structure as well as irrigation system repairs in the Capitol Park above the parking structure.

**Dome Building and Yaquina Hall Improvements:** \$1,500,000 Other Funds (Capital Projects Fund) is approved for parking lot and street improvement projects at the Dome Building and Yaquina Hall.

**Climate Adaptation and Net Zero Solutions:** \$2,000,000 Other Funds (rent revenue) is approved to design innovative solutions to implement during capital construction projects such as heat recovery, lighting and building controls, insulation, or daylighting technologies and evaluate the return on investment for traditional solutions versus high efficiency modern technologies.

**Parking Lot Improvements and EV Charging Station Expansions:** \$2,000,000 Other Funds (Capital Projects Fund) is approved to install electric vehicle (EV) charging stations and perform surface replacement and upgrades in multiple state-owned parking lots.

**Executive Building Interior and Seismic Renovation:** \$45,000,000 Other Funds (Article XI-Q Bonds) is approved to renovate the Executive Building, including seismic updates and upgrades of the exterior envelope and the building systems including electrical, mechanical, plumbing, and fire sprinkler systems.

**North Valley Complex Infrastructure Upgrades/Tenant Improvements:** \$60,000,000 Other Funds (Article XI-Q Bonds) is approved to renovate the North Valley Complex in Wilsonville and make tenant improvements and related site improvements to ready the building for use by multiple agencies.

**Yellow Parking Lot Paving:** \$4,000,000 Other Funds (Article XI-Q Bonds) is approved to pave the existing gravel Yellow Parking Lot in the Capitol Mall area and make necessary site improvements related to storm water, landscaping and other site improvements. The project also includes a public electric vehicle charging component.

Oregon Military Department

**Ashland Armory Service Life Extension:** \$5,373,235 Other Funds (Article XI-Q Bonds) is approved for design and construction of additions and alterations to the Ashland Armory, including seismic upgrades. The improvements will bring the facility into conformance with current building code and will include replacing mechanical, electrical and plumbing systems as well as remodeling existing classrooms, administrative space, latrines, showers, equipment storage areas, kitchen, and assembly hall areas. In addition, the project will include emergency enhancements and replacement of failed paving areas and replacement of existing site lighting, landscaping and fencing.

**Corvallis Armory Service Life Extension:** \$4,317,605 Other Funds (Article XI-Q Bonds) is approved for design and construction of additions and alterations to the Corvallis Armory, including seismic upgrades. The improvements will bring the facility into conformance with current building code and will include replacing mechanical, electrical and plumbing systems as well as remodeling existing classrooms, administrative space, latrines, showers, equipment storage areas, kitchen, and assembly hall areas. In addition, the project will include emergency enhancements and replacement of failed paving areas and replacement of existing site lighting, landscaping and fencing.

**Camp Umatilla Barracks Facilities:** \$8,000,000 Federal Funds (National Guard Bureau) is approved to design and construct a National Guard transient training barracks for advanced skills trainees conducting training at Camp Umatilla's Regional Training Institute. The project includes construction of a barracks and associated utility services, information systems, fire detection and alarm systems, fixtures, furnishings and equipment, hazardous waste remediation and disposal, roads, walks, curbs, gutters, storm drainage, parking areas, and site improvements. In addition, the project includes construction of a new transient training open bay enlisted barracks at Camp Umatilla. The barracks will provide billeting space for soldiers and will include building systems both within and outside of the primary facility's perimeter including latrine, showers, and laundry with minimal site development, parking, and landscaping.

**Camp Umatilla Guard Shack:** \$1,100,000 Federal Funds (National Guard Bureau) is approved to construct a new controlled entry point, gate, and guardhouse at Camp Umatilla to improve operational readiness and comply with antiterrorism force protection requirements. The project will be permanent construction and include an improved entry point for commercial activities, a new gate, identification check station building (guard house), roadway improvements, truck inspection lane and barricade system.

**Washington County Readiness Center:** \$5,300,000 Other Funds (Article XI-Q Bonds) and \$22,700,000 Federal Funds (National Guard Bureau) is approved for construction of a new National Guard Readiness Center in Washington County for the training, administrative and logistical needs of the Oregon Army National Guard as a replacement for the Hillsboro Armory. The project includes construction as well as providing utility services, information systems, fire detection and alarm systems, hazardous materials abatement and disposal, roads, walks, curbs, gutters, storm drainage, parking areas, and site improvements.

**Boardman Tactical Unmanned Aerial Vehicle Facility:** \$3,000,000 Federal Funds (National Guard Bureau) is approved as an increase to the 2019-21 capital construction expenditure limitation established for construction of a new tactical unmanned aerial vehicle facility at the Naval Bombing Range in Boardman. The additional funding will be used to construct an off-grid power system for the tactical unmanned aerial vehicle operations building at the Naval Weapons System Training Facility. The project will include use of photovoltaics with battery storage and diesel backup generator power and may include additional resiliency features such as bio-mass wood pellet heating system with propane backup. Federal funds capital construction limitation is increased from \$12,000,000 to \$15,000,000 to utilize federal funds provided for the off-grid power system.

**Umatilla Wastewater Treatment Facility and Water Supply Line:** \$2,075,000 Federal Funds (National Guard Bureau) is approved as an increase to the 2019-21 capital construction expenditure limitation established in the 2019 session and increased at the September 2020 meeting of the Emergency Board for construction of a new wastewater treatment system and a new main water supply line for potable water at Camp Umatilla. Federal funds capital construction limitation is increased from \$6,825,000 to \$8,900,000 to accommodate cost increases to complete the project.

**Camp Umatilla Regional Training Institute Re-Set:** \$4,200,000 Federal Funds (National Guard Bureau) is approved as an increase to the 2017-19 capital construction expenditure limitation established at the December 2018 meeting of the Emergency Board and increased at the September 2020 Emergency Board meeting for improvements to the Regional Training Institute at Camp Umatilla. Federal funds capital construction limitation is increased from \$20,800,000 to \$25,000,000 to utilize federal funds provided for the project.

The Subcommittee approved the extension of the project expiration date and expenditure limitation for the Youth Challenge Armory (Other Funds) to December 31, 2021 and for the Camp Umatilla Regional Training Institute (Other Funds) to December 31, 2022.

The Subcommittee also approved the proposal from the Oregon Military Department, as required by ORS 396.515 (4), for the sale of the Armory and Field Maintenance Shop in Lebanon.

#### Oregon Youth Authority

**Camp Riverbend Dorm Renovation:** \$6,867,101 Other Funds (Article XI-Q Bonds) is approved for capital improvements to renovate and expand two living units and supporting spaces at the Camp Riverbend Youth Transitional Facility, including the Riverbend building and the Hilgard building.

**Capital Improvements:** \$6,742,239 Other Funds (Article XI-Q Bonds) is approved for capital improvements to permanent structures and fixtures to address needs identified by the Facility Condition Assessment completed on OYA facilities.

**MaLaren West Cottages Renovations:** \$8,000,000 Other Funds (Article XI-Q Bonds) is approved for capital improvements to renovate and remodel two living units on the west side of the campus at MaLaren Youth Correctional Facility.

**Tillamook Dorm Renovation:** \$10,279,899 Other Funds (Article XI-Q Bonds) is approved for capital improvements to renovate and remodel two living units and supporting spaces at the Tillamook Youth Correctional Facility.

The Subcommittee approved the extension of the project expiration dates and expenditure limitations to September 30, 2021 for the following projects: Rogue Valley Facility Improvements (Other Funds); CCTV Cameras (Other Funds); Deferred Maintenance and Capital Improvements (Other Funds); and MaLaren Facility Improvements (Other Funds).

#### Department of Corrections

**Capital Improvement and Renewal:** \$70,000,000 Other Funds (Article XI-Q Bonds) is approved for capital improvements at multiple facilities, including replacement or improvement of roofs, HVAC, hardscaping, plumbing, electrical systems, communication and security systems, and other building elements.

**Off-Net Telephone Infrastructure:** \$3,508,206 Other Funds (Article XI-Q Bonds) is approved to design, purchase, and implement a centralized Voice over Internet Protocol (VoIP) communications system for use in multiple institutions to replace outdated legacy telephone systems.

#### Oregon State Police

**Central Point Office Expansion:** \$33,961,269 Other Funds (Article XI-Q Bonds) is approved to remodel and expand the Central Point Office facility to add space for the forensic lab, evidence, medical examiner and patrol functions. In addition, the project includes modernizing the existing space and adding two auxiliary buildings.

**Springfield Forensic Lab and Medical Examiner's Office:** \$61,982,733 Other Funds (Article XI-Q Bonds) is approved for the design and construction of a new forensic lab and medical examiner facility in Springfield.

**Springfield Patrol Area Command Office:** \$14,261,687 Other Funds (Article XI-Q Bonds) is approved for the design and construction of a new command office facility in Springfield, including a warehouse for storage.

Department of Transportation

**Meacham Maintenance Station:** \$12,000,000 Other Funds (fee revenue) is approved to construct a new Meacham Maintenance Station that will include heated and cold storage bays, a wash bay, and office space. The project also includes constructing a salt storage shed and an additional wash station, as well as drilling a new well.

**South Coast Maintenance Station:** \$16,200,000 Other Funds (fee revenue) is approved to design and begin site development for a new South Coast Maintenance Station to accommodate the consolidation of three obsolete maintenance stations into one location in Coos County. The sites being consolidated include two owned facilities, the Coos Bay and Davis Slough maintenance stations, and one leased facility, the Coquille construction office.

**Region 3-5 Headquarters HVAC Upgrades:** \$3,800,000 Other Funds (fee revenue) is approved to replace the HVAC systems and make other energy efficiency improvements in the region 3, region 4 and region 5 headquarters buildings and the region 4 Department of Motor Vehicles building.

The Subcommittee approved the extension of the project expiration date and expenditure limitation for the South Coast Maintenance Station (Other Funds) to June 30, 2023 and for the Meacham Maintenance Station (Other Funds) to June 30, 2024.

Department of Aviation

**Siletz Bay State Airport Runway and Electrical Rehabilitation:** \$320,000 Other Funds (aircraft registration fees) and \$3,069,187 Federal Funds (Federal Aviation Administration) is approved to conduct renovations at the Siletz Bay State Airport. This project includes rehabilitation of the runway and electrical system, which is needed to meet federal standards for safe operating conditions.

Department of Forestry

**Santiam District Office Replacement:** \$2,500,000 Other Funds (insurance proceeds) is approved to design and construct a new Santiam District Office to replace the facility that was destroyed by wildfire in 2020.

**Toledo Facility Replacement Phase II:** \$1,632,842 Other Funds (Article XI-Q Bonds) is approved to replace the Unit Office Facilities Compound located in Toledo and relocate it to a more centrally located area that will be outside of the mapped tsunami inundation zone.

Oregon Department of Fish and Wildlife

**Capital Improvement and Renewal:** \$5,000,000 Other Funds (Article XI-Q Bonds) is approved for capital improvements to replace buildings and address deferred maintenance at various facilities.

Oregon Parks and Recreation Department

**Capital Improvement and Renewal:** \$50,000,000 Other Funds (Article XI-Q Bonds) is approved to finance the capital costs of making improvements to facilities in multiple Oregon state parks. The project includes improvements or replacements to facilities and related infrastructure such as buildings, water systems, septic and sewer systems, electrical systems, restroom and shower facilities, as well as modernizing and expanding campgrounds.

Oregon Health Authority

**Oregon State Hospital, Salem Well Water Treatment Facility:** \$4,492,750 Other Funds (Article XI-Q Bonds) is approved to construct a well water treatment facility and potable water storage tank to provide a backup water supply for the Oregon State Hospital in Salem to be used in the event of disruption or contamination of the city water supply.

**Oregon State Hospital, Salem/Junction City Automated Dispensing Cabinets:** \$3,500,000 Other Funds (Article XI-Q Bonds) is approved to replace approximately 40 automated medication dispensing cabinets deployed throughout patient care areas on the Salem and Junction City campuses of the Oregon State Hospital. The project includes replacement of the computers in each cabinet.

Oregon Housing and Community Services

**Local Innovation and Fast Track (LIFT) Housing and Permanent Supportive Housing:** \$410,000,000 Other Funds (Article XI-Q Bonds) is approved to acquire, construct, remodel, repair, equip or furnish real property in which the department will take an operational or ownership interest to provide affordable housing for Oregonians with low income and citizens in historically underserved communities and communities of color, as well as affordable housing that will be combined with tenancy supports and other services for low income citizens with high needs, including persons with disabilities and persons coming out of chronic homelessness.

Oregon Liquor Control Commission

**Liquor Warehouse Conveyor System:** \$10,000,000 Other Funds (Article XI-Q Bonds) is approved to acquire and install a new conveyor system for use in the agency's new warehouse.

**Liquor Warehouse Land and Building:** \$52,537,265 Other Funds (Article XI-Q Bonds) is approved for the purchase of land and the design and construction of a new warehouse and headquarters for agency operations.

Oregon Department of Education

**Oregon School for the Deaf ADA Restrooms:** \$1,024,625 Other Funds (Article XI-Q Bonds) is approved to improve Americans with Disabilities Act (ADA) accessibility in restrooms throughout the Oregon School for the Deaf campus.

**Oregon School for the Deaf Fire Alarm System Replacement:** \$3,091,923 Other Funds (Article XI-Q Bonds) is approved to replace the fire alarm system throughout the Oregon School for the Deaf campus.

***Oregon School for the Deaf Windows Upgrade:*** \$1,383,452 Other Funds (Article XI-Q Bonds) is approved to replace windows with energy efficient windows in facilities at the Oregon School for the Deaf.

Oregon Judicial Department

***Supreme Court Building Renovation:*** \$21,700,000 Other Funds (Article XI-Q Bonds) is approved to renovate the Oregon Supreme Court building, including seismic updates, energy efficiency improvements, and various systems and safety upgrades.

Higher Education Coordinating Commission (HECC)

**HECC - Public Universities**

The Subcommittee approved a \$445,905,100 Other Funds Capital Construction six-year expenditure limitation for the Higher Education Coordinating Commission for distribution of general obligation bond proceeds to public universities. This amount corresponds to the total project amounts for 10 new university projects authorized in SB 5505. Projects are funded with proceeds from the issuance of Article XI-Q bonds, Article XI-G bonds, and Article XI-F(1) bonds and will be disbursed as grants or loans, as applicable, pursuant to grant contracts and loan agreements between HECC and each university. Project descriptions are included in SB 5505. The expenditure limitation expires June 30, 2027.

**HECC - Community Colleges**

The Subcommittee approved a \$56,496,994 Other Funds Capital Construction six-year expenditure limitation for the Higher Education Coordinating Commission for distribution of Article XI-G general obligation bond proceeds to community colleges. This amount corresponds to the total project amounts for six new community college projects authorized in SB 5505 and two reauthorized projects for which expenditure limitation from prior biennia is being removed and reestablished in 2021-23. Projects are funded with proceeds from the issuance of Article XI-G bonds and will be disbursed as grants pursuant to grant agreements between HECC and each community college. Project descriptions are included in SB 5505. The expenditure limitation expires June 30, 2027.

Other Funds (Article XI-G bonds) capital construction expenditure limitation established in 2017-19 is also removed for the following projects: Mt. Hood Community College, Maywood Park Center (\$8,000,000); Clatsop Community College, Maritime Science Building (\$7,996,994); and Oregon Coast Community College, Workforce Education and Resiliency Center (\$8,000,000). Article XI-G bonds authorized for the projects in prior biennia have not been issued and previously established limitation would expire June 30, 2023. Mt. Hood Community College did not request reauthorization of the Maywood Park Center project. Capital construction expenditure limitation is reestablished in SB 5506 for the Clatsop Community College and Oregon Coast Community College projects that are reauthorized for issuance in the 2021-23 biennium. In addition, the Subcommittee approved decreasing the 2017-19 and 2019-21 Other Funds (Article XI-G bonds) capital construction expenditure limitation for Blue Mountain Community College, Facility for Agricultural Resource Management Phase II project by \$5,000,000 and \$1,500,000, respectively, to align total expenditure limitation with bonding authorized for the project in the 2021-23 biennium.



**DETAIL OF JOINT COMMITTEE ON WAYS AND MEANS ACTION**

**SB 5506-A**

**Various Agencies**  
**Jean Gabriel 971-900-7691**

DESCRIPTION	GENERAL FUND	LOTTERY FUNDS	OTHER FUNDS	FEDERAL FUNDS	TOTAL FUNDS	POS	FTE
<u>COMMITTEE AUTHORIZATIONS</u>							
<u>EDUCATION PROGRAM AREA</u>							
<u>Higher Education Coordinating Commission</u>							
All - Capital Improvement and Renewal	\$ -	\$ -	\$ 80,000,000	\$ -	\$ 80,000,000	0	0.00
EOU - Inlow Hall Renovation Phase II	\$ -	\$ -	\$ 18,265,100	\$ -	\$ 18,265,100	0	0.00
OIT - Residence Hall	\$ -	\$ -	\$ 55,000,000	\$ -	\$ 55,000,000	0	0.00
OIT - OMIC R&D Center for Additive Manufacturing Innovation	\$ -	\$ -	\$ 5,000,000	\$ -	\$ 5,000,000	0	0.00
OSU - Student Success Center	\$ -	\$ -	\$ 13,800,000	\$ -	\$ 13,800,000	0	0.00
OSU - Cordley Hall Renovation Phase II	\$ -	\$ -	\$ 86,000,000	\$ -	\$ 86,000,000	0	0.00
OSU - Reser Stadium West Grandstands	\$ -	\$ -	\$ 40,000,000	\$ -	\$ 40,000,000	0	0.00
PSU - Gateway Center Reuse and Extension	\$ -	\$ -	\$ 68,000,000	\$ -	\$ 68,000,000	0	0.00
UO - Heritage Building Renovation	\$ -	\$ -	\$ 58,500,000	\$ -	\$ 58,500,000	0	0.00
WOU - Student Success Center	\$ -	\$ -	\$ 21,340,000	\$ -	\$ 21,340,000	0	0.00
Chemeketa CC - Building 7 Remodel	\$ -	\$ -	\$ 8,000,000	\$ -	\$ 8,000,000	0	0.00
Clatsop CC - Maritime Science Building (reauthorize)	\$ -	\$ -	\$ 7,996,994	\$ -	\$ 7,996,994	0	0.00
Klamath CC - Childcare Resource Learning Center	\$ -	\$ -	\$ 1,500,000	\$ -	\$ 1,500,000	0	0.00
Linn-Benton CC - Agricultural Center	\$ -	\$ -	\$ 8,000,000	\$ -	\$ 8,000,000	0	0.00
Mt. Hood CC - Accessibility Upgrades, Dental Hygiene Lab & Def. Maint.	\$ -	\$ -	\$ 8,000,000	\$ -	\$ 8,000,000	0	0.00
Oregon Coast CC - Workforce Education and Resiliency Center (reauthorize)	\$ -	\$ -	\$ 8,000,000	\$ -	\$ 8,000,000	0	0.00
Rogue CC - Transportation Technology Center	\$ -	\$ -	\$ 7,000,000	\$ -	\$ 7,000,000	0	0.00
Tillamook Bay CC - Classroom/Office Building & Renovations	\$ -	\$ -	\$ 8,000,000	\$ -	\$ 8,000,000	0	0.00
<u>Oregon Department of Education</u>							
Oregon School for the Deaf ADA Restrooms	\$ -	\$ -	\$ 1,024,625	\$ -	\$ 1,024,625	0	0.00
Oregon School for the Deaf Fire Alarm System Replacement	\$ -	\$ -	\$ 3,091,923	\$ -	\$ 3,091,923	0	0.00
Oregon School for the Deaf Windows Upgrade	\$ -	\$ -	\$ 1,383,452	\$ -	\$ 1,383,452	0	0.00

**ADMINISTRATION PROGRAM AREA****Department of Administrative Services**

Deferred Maintenance	\$ -	\$ -	\$ 15,500,000	\$ -	\$ 15,500,000	0	0.00
Gender Neutral Facilities and Mothers' Rooms	\$ -	\$ -	\$ 10,000,000	\$ -	\$ 10,000,000	0	0.00
Capitol Mall Parking Structure Improvements	\$ -	\$ -	\$ 2,750,000	\$ -	\$ 2,750,000	0	0.00
Dome Building and Yaquina Hall Improvements	\$ -	\$ -	\$ 1,500,000	\$ -	\$ 1,500,000	0	0.00
Climate Adaptation and Net Zero Solutions	\$ -	\$ -	\$ 2,000,000	\$ -	\$ 2,000,000	0	0.00
Parking Lot Improvements and EV Charging Station Expansions	\$ -	\$ -	\$ 2,000,000	\$ -	\$ 2,000,000	0	0.00
Executive Building Interior and Seismic Renovation	\$ -	\$ -	\$ 45,000,000	\$ -	\$ 45,000,000	0	0.00
North Valley Complex Infrastructure Upgrades/Tenant Improvements	\$ -	\$ -	\$ 60,000,000	\$ -	\$ 60,000,000	0	0.00
Yellow Parking Lot Paving	\$ -	\$ -	\$ 4,000,000	\$ -	\$ 4,000,000	0	0.00

**Oregon Liquor Control Commission**

Liquor Warehouse Conveyor System	\$ -	\$ -	\$ 10,000,000	\$ -	\$ 10,000,000	0	0.00
Liquor Warehouse Land and Building	\$ -	\$ -	\$ 52,537,265	\$ -	\$ 52,537,265	0	0.00

**PUBLIC SAFETY PROGRAM AREA****Oregon Military Department**

Ashland Armory Service Life Extension	\$ -	\$ -	\$ 5,373,235	\$ -	\$ 5,373,235	0	0.00
Corvallis Armory Service Life Extension	\$ -	\$ -	\$ 4,317,605	\$ -	\$ 4,317,605	0	0.00
Camp Umatilla Barracks Facilities	\$ -	\$ -	\$ -	\$ 8,000,000	\$ 8,000,000	0	0.00
Camp Umatilla Guard Shack	\$ -	\$ -	\$ -	\$ 1,100,000	\$ 1,100,000	0	0.00
Washington County Readiness Center	\$ -	\$ -	\$ 5,300,000	\$ 22,700,000	\$ 28,000,000	0	0.00

**Oregon Youth Authority**

Camp Riverbend Dorm Renovation	\$ -	\$ -	\$ 6,867,101	\$ -	\$ 6,867,101	0	0.00
Capital Improvements	\$ -	\$ -	\$ 6,742,239	\$ -	\$ 6,742,239	0	0.00
MacLaren West Cottages Renovations	\$ -	\$ -	\$ 8,000,000	\$ -	\$ 8,000,000	0	0.00
Tillamook Dorm Renovation	\$ -	\$ -	\$ 10,279,899	\$ -	\$ 10,279,899	0	0.00

**Department of Corrections**

Capital Improvement and Renewal	\$ -	\$ -	\$ 70,000,000	\$ -	\$ 70,000,000	0	0.00
Off-Net Telephone Infrastructure	\$ -	\$ -	\$ 3,508,206	\$ -	\$ 3,508,206	0	0.00

**Oregon State Police**

Central Point Office Expansion	\$ -	\$ -	\$ 33,961,269	\$ -	\$ 33,961,269	0	0.00
Springfield Forensic Lab and Medical Examiner's Office	\$ -	\$ -	\$ 61,982,733	\$ -	\$ 61,982,733	0	0.00
Springfield Patrol Area Command Office	\$ -	\$ -	\$ 14,261,687	\$ -	\$ 14,261,687	0	0.00

**TRANSPORTATION PROGRAM AREA**

**Department of Transportation**

Meacham Maintenance Station	\$ -	\$ -	\$ 12,000,000	\$ -	\$ 12,000,000	0	0.00
South Coast Maintenance Station	\$ -	\$ -	\$ 16,200,000	\$ -	\$ 16,200,000	0	0.00
Region 3-5 Headquarters HVAC Upgrades	\$ -	\$ -	\$ 3,800,000	\$ -	\$ 3,800,000	0	0.00

**Department of Aviation**

Siletz Bay State Airport Runway and Electrical Rehabilitation	\$ -	\$ -	\$ 320,000	\$ 3,069,187	\$ 3,389,187	0	0.00
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**NATURAL RESOURCES PROGRAM AREA**

**Department of Forestry**

Santiam District Office Replacement	\$ -	\$ -	\$ 2,500,000	\$ -	\$ 2,500,000	0	0.00
Toledo Facility Replacement Phase II	\$ -	\$ -	\$ 1,632,842	\$ -	\$ 1,632,842	0	0.00

**Oregon Department of Fish and Wildlife**

Capital Improvement and Renewal	\$ -	\$ -	\$ 5,000,000	\$ -	\$ 5,000,000	0	0.00
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**Oregon Parks and Recreation Department**

Capital Improvement and Renewal	\$ -	\$ -	\$ 50,000,000	\$ -	\$ 50,000,000	0	0.00
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**HUMAN SERVICES PROGRAM AREA**

**Oregon Health Authority**

Oregon State Hospital, Salem Well Water Treatment Facility	\$ -	\$ -	\$ 4,492,750	\$ -	\$ 4,492,750	0	0.00
OSH Salem/Junction City Automated Dispensing Cabinets	\$ -	\$ -	\$ 3,500,000	\$ -	\$ 3,500,000	0	0.00

**ECONOMIC AND COMMUNITY DEVELOPMENT PROGRAM AREA**

**Oregon Housing and Community Services**

LIFT Housing and Permanent Supportive Housing	\$ -	\$ -	\$ 410,000,000	\$ -	\$ 410,000,000	0	0.00
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**JUDICIAL PROGRAM AREA**

**Oregon Judicial Department**

Supreme Court Building Renovation	\$ -	\$ -	\$ 21,700,000	\$ -	\$ 21,700,000	0	0.00
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<b>TOTAL</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 1,474,928,925</b>	<b>\$ 34,869,187</b>	<b>\$ 1,509,798,112</b>	<b>0</b>	<b>0.00</b>
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**2019-21 Supplemental Expenditure Limitation Adjustments**

**Oregon Military Department**

Boardman Tactical Unmanned Aerial Vehicle Facility	\$ -	\$ -	\$ -	\$ 3,000,000	\$ 3,000,000	0	0.00
Umatilla Wastewater Treatment Facility and Water Supply Line	\$ -	\$ -	\$ -	\$ 2,075,000	\$ 2,075,000	0	0.00

**Higher Education Coordinating Commission**

Blue Mtn CC - Facility for Agricultural Resource Management, Ph II	\$ -	\$ -	\$ (1,500,000)	\$ -	\$ (1,500,000)	0	0.00
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**2017-19 Supplemental Expenditure Limitation Adjustments**

**Oregon Military Department**

Camp Umatilla Regional Training Institute Re-set	\$ -	\$ -	\$ -	\$ 4,200,000	\$ 4,200,000	0	0.00
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**Higher Education Coordinating Commission**

Blue Mtn CC - Facility for Agricultural Resource Management, Ph II	\$ -	\$ -	\$ (5,000,000)	\$ -	\$ (5,000,000)	0	0.00
Clatsop CC - Maritime Science Building	\$ -	\$ -	\$ (7,996,994)	\$ -	\$ (7,996,994)	0	0.00
Mt. Hood CC - Maywood Park Center	\$ -	\$ -	\$ (8,000,000)	\$ -	\$ (8,000,000)	0	0.00
Oregon Coast CC - Workforce Education and Resiliency Center	\$ -	\$ -	\$ (8,000,000)	\$ -	\$ (8,000,000)	0	0.00

**SB 5533 A BUDGET REPORT and MEASURE SUMMARY**

**Carrier:** Sen. Frederick

**Joint Committee On Ways and Means**

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**Action Date:** 06/24/21

**Action:** Do pass with amendments. (Printed A-Eng.)

**Senate Vote**

**Yeas:** 12 - Anderson, Frederick, Girod, Golden, Gorsek, Hansell, Johnson, Knopp, Lieber, Steiner Hayward, Taylor, Thomsen

**House Vote**

**Yeas:** 10 - Bynum, Drazan, Gomberg, Leif, McLain, Nosse, Rayfield, Sanchez, Sollman, Stark

**Exc:** 1 - Smith G

**Prepared By:** Amanda Beitel and Julie Neburka, Legislative Fiscal Office

**Reviewed By:** Laurie Byerly, Legislative Fiscal Office

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**Various Agencies - Lottery Allocations**

**2021-23**

**Various Agencies - Criminal Fine Account Allocations**

**2021-23**

**Various Agencies - Oregon Marijuana Account Allocations**

**2021-23**

## **Summary of Revenue Changes**

The Oregon State Lottery collects revenues from traditional, sports betting, and video lottery gaming. It pays player prizes and its operating expenses out of these revenues and then transfers the balance (net revenues or proceeds) to the Administrative Services Economic Development Fund (EDF). The Department of Administrative Services (DAS) distributes funds from the EDF in adherence with constitutional and statutory funding priorities, including specific legislative allocations. Lottery revenues are projected to be \$1,651.5 million for the 2021-23 biennium, based on the DAS Office of Economic Analysis May 2021 forecast. Legislatively approved budget allocations, plus the allocations specified in the Oregon Constitution, total \$1,695.8 million and result in projected EDF ending balance of \$30 million.

The Oregon Lottery transfers net lottery revenues to the Administrative Services EDF on a quarterly basis. From each quarterly transfer, a number of dedicated distributions are required by the Oregon Constitution or are provided for in Oregon Revised Statutes (ORS), including:

- The Oregon Constitution requires that 18% of net proceeds be distributed to the Education Stability Fund.
- The Oregon Constitution requires that 15% of net proceeds be distributed to the Parks and Natural Resources Fund.
- The Oregon Constitution requires that 1.5% of net proceeds be distributed to the Veterans' Services Fund.
- Oregon statute requires that 4% of net proceeds, up to a maximum of \$5.5 million per quarter adjusted for inflation, be distributed to the Outdoor School Education Fund.
- Oregon statute requires that 2.5% of net proceeds of video lottery gaming be distributed to the counties for economic development activities. Beginning with the 2005-07 biennium, 50% of the operating costs for the Economic Revitalization Team (ERT) established by ORS 284.555 are also funded from this source. Beginning with the 2013-15 biennium, 50% of the funding for the Governor's Office Regional Solutions Program positions are also funded from this source.
- Oregon statute requires that 1% of net proceeds be distributed to the Sports Lottery Account for sports programs at the seven public universities and for scholarships.
- Oregon statute requires that 1% of net proceeds be transferred to the Oregon Health Authority for gambling addiction prevention and treatment programs.
- Oregon statute requires that 1% of the net proceeds, not to exceed \$1.53 million annually, be transferred to the County Fair account. The maximum amount is adjusted each biennium pursuant to certain changes in the Consumer Price Index.

- Oregon statute requires that net proceeds of sports betting games, after deduction for the constitutional dedications, be transferred to the Public Employees Retirement System Employer Incentive Fund.
- Oregon statute requires that annual debt service payments for outstanding lottery revenue bonds be satisfied before allocating amounts for other purposes. During the 2021-23 biennium, debt service requirements will comprise approximately 16.4% of the total distributions from the EDF.

Finally, the Legislature makes other allocations from the EDF within authorized public purposes. These purposes include job creation, economic development, and public education. Currently, the bulk of allocations are made to the Department of Education for the State School Fund and to the Oregon Business Development Department for various economic and community development program expenditures.

Debt service allocations are paid annually. Interest earned on the EDF is retained within the fund. If any funds remain undistributed at the end of any quarter, they will remain in the EDF for allocation in future quarters. If quarterly revenue in the EDF is insufficient to pay for quarterly distribution of allocations, DAS will first fund debt service obligations. Remaining revenues will be distributed in a prorated manner.

## **Summary of Capital Construction Subcommittee Action**

### **Lottery Revenue Allocation**

SB 5533 allocates net lottery revenue from the EDF and the Veterans' Services Fund. The amounts outlined in this bill are based on the May 2021 Lottery revenue forecast from the DAS Office of Economic Analysis. The attached tables display the Lottery Funds allocated by the Subcommittee from the EDF and Veterans' Services Fund. All lottery allocations approved from these funds for the 2021-23 biennium are included in SB 5533. The 2021-23 allocations are summarized below.

- A total of \$278.5 million Lottery Funds is allocated for debt service on outstanding lottery revenue bonds. The allocation also includes estimated debt service payments on lottery bonds authorized to be issued during the 2021-23 biennium. These funds are allocated to the DAS, since the DAS Capital Finance and Planning Division administers the lottery bond program and associated debt service for the state. DAS will transfer the necessary funding to the Higher Education Coordinating Commission, Oregon Business Development Department, Housing and Community Services Department, Department of Transportation, Department of Forestry, Department of Energy, State Parks and Recreation Department, Water Resources Department, and Department of Veterans' Affairs for the payment of debt service on outstanding lottery bonds.
- The State School Fund is allocated \$589.5 million Lottery Funds.

- A total of \$100.3 million Lottery Funds is allocated for the programs of the Oregon Business Development Department. This total excludes amounts allocated for debt service payments on lottery revenue bonds, but includes \$10.9 million for Operations; \$83.6 million for Business, Innovation and Trade; \$4.4 million for Infrastructure, and \$1.4 million for the Film and Video Office.
- The Office of the Governor is allocated \$4.6 million Lottery Funds for the Regional Solutions Program. Half of this funding will come from a reduction in the net video lottery proceeds that are distributed to counties for economic development.
- The Department of Veterans' Affairs is allocated \$20.6 million Lottery Funds from the Veterans' Services Fund. This total includes \$12.6 million for veterans' services provided by the Department, \$7.5 million for county veteran service officers, and \$497,880 for National Service Organizations.
- The Bureau of Labor and Industries is allocated \$261,416 from the Veterans' Services Fund to administer an outreach program to inform National Guard and reserve members and veterans about trade careers and apprenticeship opportunities.
- The Criminal Justice Commission is allocated \$578,865 from the Veterans' Services Fund for veterans' specialty courts.
- The Oregon Health Authority is allocation \$2.1 million from the Veterans' Services Fund for veterans' behavioral health services.

#### Education Stability Fund

A constitutional amendment approved by Oregon voters in 1997, and amended in 2002, requires that 18% of net lottery proceeds be transferred to the Education Stability Fund (ESF). Interest earnings on the ESF are continuously appropriated for the benefit of education programs. These earnings are split 75% to the Oregon Education Fund, for debt service on lottery bonds issued for the Department of Education, and 25% to the Higher Education Coordinating Commission for Oregon Opportunity Grants. ESF interest earnings are projected to be \$5.6 million during the 2021-23 biennium and are utilized to support the Oregon Opportunity Grant Program. No lottery bond debt service is outstanding on bonds previously issued for the Department of Education.

Ten percent of the amount transferred to the ESF is deposited into the Oregon Growth Account within the ESF. All declared earnings from this account are continuously appropriated to the Oregon Education Fund and the Higher Education Coordinating Commission. The transfers and distributions relating to the ESF as described here are established by the Oregon Constitution and by other statutes; therefore, SB 5533 does not include provisions relating to them.

#### Parks and Natural Resources Fund

Ballot Measure 76, approved by Oregon voters in 2010, requires 15% of net lottery proceeds to be transferred to the Parks and Natural Resources Fund. This fund is continuously appropriated for the benefit of parks and recreation and for native species protection and



restoration. This transfer is established by the Oregon Constitution. Therefore, SB 5533 does not include provisions relating to Parks and Natural Resources Fund transfers.

#### Veterans' Services Fund

Ballot Measure 96, approved by Oregon voters in 2016, requires 1.5% of net lottery proceeds to be transferred to the Veterans' Services Fund. This fund is continuously appropriated for the benefit of veterans. This transfer is established by the Oregon Constitution. SB 5533, therefore, does not include a provision to transfer lottery proceeds into the Veterans' Services Fund. The bill does, however, include allocations from the Veterans' Services Fund to support programs benefitting veterans at the Department of Veterans' Affairs, Bureau of Labor and Industries, Criminal Justice Commission, and Oregon Health Authority.

#### Outdoor School Education Fund

Ballot Measure 99, approved by Oregon voters in 2016, requires 4% of net proceeds, but no more than \$5.5 million per quarter adjusted for inflation, be distributed to the Outdoor School Education Fund. The Fund supports the Outdoor School program and is managed by the Oregon State University Extension Service. The Subcommittee approved a fixed allocation of \$49.4 million for the 2021-23 biennium, rather than the percentage allocation described in statute.

#### County Economic Development

ORS 461.547 requires that 2.5% of net proceeds of video lottery gaming be distributed to the counties for economic development activities. Beginning with the 2005-07 biennium, 50% of the operating costs for the Economic Revitalization Team (ERT) established by ORS 284.555 were funded from this source. Beginning with the 2013-15 biennium, 50% of the funding for the Governor's Office Regional Solutions Program positions are also funded from this source.

The Subcommittee approved allocating a fixed dollar amount for county economic development during the 2021-23 biennium, rather than the percentage allocation described in statute. The fixed dollar amount is \$54.2 million, which is equal to 2.5% of the amount of net video lottery proceeds projected in the May 2021 revenue forecast, minus one-half of the allocation to the Office of the Governor for the Regional Solutions Program.

#### Gambling Addiction Prevention and Treatment

The 1999 Legislature statutorily dedicated 1% of net lottery proceeds to be transferred to the Oregon Health Authority to fund gambling addiction programs in the state. The Subcommittee approved a fixed allocation of \$16.5 million for the 2021-23 biennium, rather than the percentage allocation described in statute.

### Sports Lottery Account

Beginning in 2007, 1% of net lottery proceeds are dedicated for distribution to public universities to offset the costs of intercollegiate athletic programs and for academic scholarships. The Subcommittee approved a fixed allocation of \$16.5 million for the 2021-23 biennium, rather than the percentage allocation described in statute.

### County Fairs

The 2001 Legislature statutorily dedicated 1% of net lottery proceeds, with certain limitations, for distribution to county fair programs throughout the state. This amount is adjusted by inflation each biennium. The Subcommittee approved a fixed allocation of \$3.8 million for the 2021-23 biennium, rather than the percentage allocation described in statute.

### Employer Incentive Fund

In 2019, the Legislature dedicated the net proceeds of sports betting games to the Public Employees Retirement System Employer Incentive Fund (EIF) to provide a 25% match on qualifying employer lump-sum payments to the EIF. The Subcommittee approved a fixed allocation of \$12.7 million for the 2021-23 biennium, which is equal to sports betting proceeds projected in the May 2021 forecast, net of the constitutional dedications.

### Lottery Funds Expenditure Limitation

Lottery Funds expenditure limitation related to these allocations is established within the respective agency budget bills and in the budget reconciliation bill (HB 5006).

### Criminal Fine Account Allocation

ORS 137.300 establishes the Criminal Fine Account (CFA), and identifies program priorities for account moneys, but does not specify a funding level for the programs. A portion of the crime and violation fine payments collected by state and local courts are transferred into the account. The expenditure limitations for programs receiving CFA allocations are established in the separate agency appropriation bills or the budget reconciliation bill (HB 5006). Any CFA revenues remaining after the specific program allocations are deposited into the General Fund.

The forecast of CFA revenues for the 2021-23 biennium totals \$122.1 million. This amount is equal to the amount in the revenue forecast from the DAS Office of Economic Analysis as of May 2021.

The Subcommittee approved allocations to agencies totaling \$92 million, leaving \$30.2 million to be deposited into General Fund. Those revenues are used to supported General Fund expenditures authorized in the 2021-23 legislatively adopted budget. The specific allocation amounts authorized in this bill are listed in the table of this budget report.

The allocation to the Department of Public Safety Standards and Training (DPSST) for operations is increased by \$1.5 million above the current service level amount for the following:

- \$467,878 for investments approved in the agency’s budget, including the Statistical Transparency of Policing (STOP) program, instructor development, and facilities maintenance.
- \$409,468 to implement the provisions of HB 2162, which requires DPSST to designate an accrediting body for law enforcement agencies and to establish a statewide equity training program for law enforcement officers.
- \$665,972 on a one-time basis to implement the provisions of HB 2527, which requires DPSST to license private security entities. This measure requires DPSST to establish fees for issuing licenses to private security entities. It is anticipated that fee revenues will support the cost of the program after, but not during, the 2021-23 biennium.

### **Oregon Marijuana Account Allocation**

Net revenues from state Marijuana taxes, after payment of administrative and enforcement expenses, are deposited into the Oregon Marijuana Account (OMA). The passage of Ballot Measure 110 in November 2020 changed the statutory distribution of moneys in OMA. Previously, 20% of revenues transferred to the OMA were distributed to cities and counties, with the remaining 80% of moneys in the OMA distributed to the State School Fund (40%), the Mental Health Alcoholism and Drug Services Account (20%), the State Police Account (15%), and alcohol and drug abuse prevention, early intervention and treatment services (5%). Under the measure, the first \$11.25 million of quarterly OMA revenues are distributed according to the current statutory formula, with OMA revenues in excess of \$11.25 million per quarter transferred to the newly established Drug Treatment and Recovery Services Fund.

The 2021-23 revenue forecast for the Oregon Marijuana Account totals \$339.4 million. This amount is equal to the amount in the May 2021 revenue forecast from the DAS Office of Economic Analysis. Based on this forecast, the Department of Revenue will distribute \$18 million to cities and counties. The remaining \$321.4 million is allocated as directed under statute:

- \$249.4 million to the Drug Treatment and Recovery Services Fund
- \$36 million to the State School Fund
- \$18 million to the Mental Health Alcoholism and Drug Services Account
- \$13.5 million to the State Police Account
- \$4.5 million to alcohol and drug abuse prevention, early intervention and treatment services

However, as actual revenues may vary, the associated distributions may also vary – in some cases requiring related expenditure limitation and allocation adjustments.

**LOTTERY FUNDS CASH FLOW SUMMARY**

	<b>2019-21 Legislatively Approved Budget <sup>1</sup></b>	<b>2021-23 Legislatively Adopted Budget <sup>2</sup></b>
<b>ECONOMIC DEVELOPMENT FUND</b>		
<b>RESOURCES</b>		
Beginning Balance	\$ 70,924,069	\$ 72,369,513
Lottery Funds Reversions under ORS 461.559	5,470,688	-
<b>REVENUES</b>		
Transfers from Lottery	-	-
Net Proceeds	1,201,719,818	1,651,460,725
Administrative Actions	-	-
Other Revenues	-	-
Interest Earnings	2,000,000	2,000,000
Other	-	-
Total Revenue	1,203,719,818	1,653,460,725
<b>TOTAL RESOURCES</b>	<b>\$ 1,280,114,575</b>	<b>\$ 1,725,830,238</b>
<b>DISTRIBUTIONS / ALLOCATIONS</b>		
Distribution to Education Stability Fund	(216,315,255)	(297,262,930)
Distribution to Parks and Natural Resources Fund	(180,257,973)	(247,719,109)
Distribution for Veterans' Services Fund	(18,025,797)	(24,771,911)
Distribution for Outdoor School Fund	(43,040,555)	(49,418,728)
Distribution of Video Revenues to Counties	(50,231,366)	(54,209,527)
Distribution for Sports Programs	(14,099,809)	(16,514,607)
Distribution for Gambling Addiction	(14,673,344)	(16,514,510)
Distribution for County Fairs	(3,828,000)	(3,828,000)
Distribution to PERS Employer Incentive Fund	(4,126,470)	(12,665,769)
Allocation to State School Fund	(330,467,530)	(589,526,746)
Debt Service Allocations	(259,868,206)	(278,511,961)
Other Agency Allocations	(72,810,757)	(104,886,440)
<b>TOTAL DISTRIBUTIONS / ALLOCATIONS</b>	<b>\$ (1,207,745,062)</b>	<b>\$ (1,695,830,238)</b>
<b>ENDING BALANCE</b>	<b>\$ 72,369,513</b>	<b>\$ 30,000,000</b>
<b>EDUCATION STABILITY FUND</b> (not including the Oregon Growth Account balances)		
<b>RESOURCES</b>		
Beginning Balance	\$ 619,668,197	\$ 414,351,706
Revenues	-	-
Transfer from the Economic Development Fund	194,683,729	267,536,637
Interest Earnings	20,012,469	5,606,574
Oregon Growth Account Earnings Distributions	22,820,336	-
Total Revenue	\$ 237,516,534	\$ 273,143,211
<b>TOTAL RESOURCES</b>	<b>\$ 857,184,731</b>	<b>\$ 687,494,917</b>
<b>DISTRIBUTIONS</b>		
Oregon Opportunity Grant Program	(42,161,510)	(5,606,574)
Debt Service Allocations to Department of Education	(671,295)	-
Education Stability Fund Withdrawal	(400,000,000)	-
Treasury Account Fees	(220)	-
<b>TOTAL DISTRIBUTIONS</b>	<b>\$ (442,833,025)</b>	<b>\$ (5,606,574)</b>
<b>ENDING BALANCE</b>	<b>\$ 414,351,706</b>	<b>\$ 681,888,343</b>

1. The 2019-21 Legislatively Approved Budget is based on the May 2021 forecast of 2019-21 resources.  
2. The 2021-23 Legislatively Adopted Budget is based on the May 2021 forecast of 2021-23 resources.  
3. 2021-23 beginning balance is equal to 2019-21 ending balance.  
4. Oregon Growth Account distributions and transfers to the Oregon Education Fund and Oregon Opportunity Grant Program are included.  
5. Only includes transfers to the main Education Stability Fund account, and not the 10% transferred to the Oregon Growth Account.

**2021-23 LOTTERY FUNDS ALLOCATIONS AND EXPENDITURES**

	<b>New Lottery Funds Allocation</b>	<b>Beginning Lottery Balance</b>	<b>Interest and Other Earnings</b>	<b>2021-23 LAB Expenditure Limitation</b>	<b>Ending Lottery Balance</b>
<b>ECONOMIC DEVELOPMENT FUND</b>					
DEBT SERVICE COMMITMENTS					
Higher Education Coordinating Commission Outstanding bonds	44,051,736	67,453	-	44,119,189	-
Business Development Department Outstanding and Proposed bonds	46,302,709	87,032	-	46,389,741	-
Housing and Community Services Department Outstanding and Proposed bonds	25,180,556	44,174	-	25,224,730	-
Department of Transportation Outstanding and Proposed bonds	121,787,391	156,837	-	121,944,228	-
Department of Administrative Services Outstanding and Proposed bonds	23,372,680	25,828	-	23,398,508	-
State Forestry Department Outstanding Bonds	2,560,320	3,890	-	2,564,210	-
Department of Energy Outstanding Bonds	3,017,225	5,345	-	3,022,570	-
State Parks and Recreation Department Outstanding and Proposed bonds	3,325,195	1,657	-	3,326,852	-
Water Resources Department Outstanding and Proposed bonds	8,414,965	1,084,545	-	9,499,510	-
Department of Veterans' Affairs Proposed bonds	499,184	-	-	499,184	-
OTHER ALLOCATIONS					
Higher Education Coordinating Commission Collegiate Athletics	16,514,607	-	-	16,514,607	-
Outdoor Schools	49,418,728	-	-	49,418,728	-
Oregon Health Authority Gambling Addiction Treatment	16,514,510	-	-	16,514,510	-
Department of Administrative Services Distribution to County Fairs	3,828,000	-	-	3,828,000	-
Public Employees Retirement System Employer Incentive Fund	12,665,769	4,126,470	-	16,792,239	-
Department of Education State School Fund	589,526,746	-	-	589,526,746	-
Office of the Governor Regional Solutions	4,552,709	-	-	4,552,709	-
Business Development Department Operations	10,938,127	-	-	10,938,127	-
Business, Innovation, and Trade Infrastructure	83,591,268	3,988,000	-	87,579,268	-
Film and Video	4,384,506	-	-	4,384,506	-
	1,419,830	-	-	1,419,830	-
<b>TOTAL ECONOMIC DEVELOPMENT FUND</b>	<b>1,071,866,761</b>	<b>9,591,231</b>	<b>-</b>	<b>1,081,457,992</b>	<b>-</b>
<b>EDUCATION STABILITY FUND / OREGON EDUCATION FUND</b>					
Higher Education Coordinating Commission Opportunity Grants	5,606,574	13,674,716	-	12,274,716	7,006,574
<b>TOTAL EDUCATION STABILITY/OREGON EDUCATION FUND</b>	<b>5,606,574</b>	<b>13,674,716</b>	<b>-</b>	<b>12,274,716</b>	<b>7,006,574</b>

## VETERANS' SERVICES FUND

	2019-21 Legislatively Approved	2021-23 Legislatively Adopted
<b>RESOURCES / REVENUES</b>		
VSF Beginning Balance	\$ 5,040,932	\$ 1,982,016
Lottery Funds Reversions under ORS 406.141	1,189,487	-
Lottery Revenue	18,025,797	24,771,911
Interest Earnings	100,000	
<b>TOTAL RESOURCES</b>	<b>\$ 24,356,216</b>	<b>\$ 26,753,927</b>
<b>ALLOCATIONS</b>		
Department of Veterans' Affairs		
Veterans' Services Program	\$ (10,797,300)	\$ (12,628,046)
County Veteran Service Officers	(6,808,184)	(7,474,669)
National Service Organizations	(453,486)	(497,880)
Veterans' Affordable Housing	(1,000,000)	-
Total ODVA Allocations	\$ (19,058,970)	\$ (20,600,595)
Bureau of Labor and Industries		
Veterans' Outreach	(260,230)	(261,416)
Criminal Justice Commission		
Veterans' Specialty Courts	(555,000)	(578,865)
Oregon Health Authority		
Veterans' Behavioral Health	(2,500,000)	(2,127,476)
<b>TOTAL ALLOCATIONS</b>	<b>\$ (22,374,200)</b>	<b>\$ (23,568,352)</b>
<b>VSF ENDING BALANCE</b>	<b>\$ 1,982,016</b>	<b>\$ 3,185,575</b>

1. The 2019-21 Legislatively Approved Budget is based on the May 2021 forecast of 2019-21 lottery resources.
2. The 2021-23 Legislatively Adopted Budget is based on the May 2021 forecast of 2021-23 lottery resources.

### CRIMINAL FINE ACCOUNT ALLOCATIONS

	2019-21 Legislatively Approved Budget	2021-23 Current Service Level	Percent Change from 2019-21 LAB	2021-23 Legislatively Adopted Budget	Percent Change from 2021-23 CSL
<b>Criminal Fine Account Revenues</b>	\$ 100,288,233	\$ 122,136,979	21.8%	\$ 122,136,979	0.0%
<b>Criminal Fine Account Allocations:</b>					
<b><i>Department of Public Safety Standards and Training</i></b>					
Operations	\$ 32,985,769	\$ 41,714,109	26.5%	\$ 43,257,427	3.7%
Public Safety Memorial Fund	279,495	279,677	0.1%	279,677	0.0%
Subtotal:	\$ 33,265,264	\$ 41,993,786	26.2%	\$ 43,537,104	3.7%
<b><i>Department of Justice</i></b>					
Child Abuse Multidisciplinary Intervention (CAMI)	\$ 9,824,565	\$ 11,694,249	19.0%	\$ 11,694,249	0.0%
Regional Assessment Centers	846,968	883,388	4.3%	883,388	0.0%
Criminal Injuries Compensation Account (CICA)	8,755,862	9,846,982	12.5%	9,846,982	0.0%
Child Abuse Medical Assessments	716,912	747,739	4.3%	747,739	0.0%
Subtotal:	\$ 20,144,307	\$ 23,172,358	15.0%	\$ 23,172,358	0.0%
<b><i>Department of Human Services</i></b>					
Domestic Violence Fund	\$ 2,224,675	\$ 2,320,336	4.3%	\$ 2,320,336	0.0%
Sexual Assault Victims Fund	533,332	556,265	4.3%	556,265	0.0%
Subtotal:	\$ 2,758,007	\$ 2,876,601	4.3%	\$ 2,876,601	0.0%
<b><i>Oregon Health Authority</i></b>					
Emergency Medical Services & Trauma Services	\$ 331,824	\$ 331,824	0.0%	\$ 331,824	0.0%
Alcohol & Drug Abuse Prevention	42,884	42,884	0.0%	42,884	0.0%
Law Enforcement Medical Liability Account (LEMLA)	1,300,000	1,300,000	0.0%	1,300,000	0.0%
Intoxicated Driver Program	4,323,000	4,323,000	0.0%	4,323,000	0.0%
Subtotal:	\$ 5,997,708	\$ 5,997,708	0.0%	\$ 5,997,708	0.0%
<b><i>Oregon Judicial Department</i></b>					
State court security and emergency preparedness	\$ 3,784,490	\$ 4,147,778	9.6%	\$ 4,147,778	0.0%
County court facilities security	2,931,528	3,057,584	4.3%	3,057,584	0.0%
State Court Technology Fund	3,887,500	3,887,500	0.0%	3,887,500	0.0%
Subtotal:	\$ 10,603,518	\$ 11,092,862	4.6%	\$ 11,092,862	0.0%
<b><i>Oregon State Police</i></b>					
Driving Under the Influence Enforcement	\$ 351,572	\$ 351,572	0.0%	\$ 351,572	0.0%
<b><i>Department of Corrections</i></b>					
County correction programs and facilities, and alcohol and drug programs	\$ 4,585,442	\$ 4,846,812	5.7%	\$ 4,846,812	0.0%
<b><i>Department of Revenue</i></b>					
Administrative Expenses	\$ 100,000	\$ 100,000	0.0%	\$ 100,000	0.0%
<b>Total Allocations:</b>	<b>\$ 77,805,818</b>	<b>\$ 90,431,699</b>	<b>16.2%</b>	<b>\$ 91,975,017</b>	<b>1.7%</b>
<b>Transfer to the General Fund:</b>	<b>\$ 22,482,415</b>	<b>\$ 31,705,280</b>	<b>41.0%</b>	<b>\$ 30,161,962</b>	<b>-4.9%</b>

## 2021-23 Oregon Marijuana Account

	2019-21 Legislatively Approved Budget	2021-23 Legislatively Adopted Budget
Cities	22,651,200	9,000,000
Counties	22,651,200	9,000,000
<b>Subtotal Local</b>	<b>45,302,400</b>	<b>18,000,000</b>
Drug Treatment and Recovery Services Fund	65,219,800	249,360,000
State School Fund	103,764,900	36,000,000
Mental Health Alcoholism & Drug Services Account	51,882,500	18,000,000
State Police Account	38,911,800	13,500,000
Drug and alcohol abuse prevention and treatment	12,970,600	4,500,000
<b>Subtotal State</b>	<b>272,749,600</b>	<b>321,360,000</b>
 <b>Total</b>	<b>318,052,000</b>	<b>339,360,000</b>