



# Oregon

Tina Kotek, Governor

Oregon Youth Authority

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November 3, 2025

Joint Interim Committee on Ways and Means  
Attn: Co-Chair Lieber and Co-Chair Sanchez  
900 Court Street, NE,  
Salem, OR 97301

Dear Co-Chairs, Lieber and Sanchez,

In response to the request from the Legislative Fiscal Office, the Oregon Youth Authority (OYA) has developed two budget reduction scenarios in response to a request for a 2.5% and 5% reduction list from the Legislative Fiscal Office:

## Overview

- **2.5% Reduction Target:** \$11.1 million
- **5% Reduction Target:** \$22.2 million

The Oregon Youth Authority's budget is caseload-driven, ensuring that state resources are allocated based on the actual number of youth served in custody, community placements, and supervision. This model allows OYA to scale services—such as staffing, treatment, and facility operations—in direct response to population trends, promoting both efficiency and accountability. By tying funding to caseload forecasts, OYA aligns its budget with measurable demand, enabling the Legislature to make informed, data-driven investments that support public safety, youth rehabilitation, and long-term outcomes for Oregon communities.

Both scenarios consider a caseload-driven agency and aim to preserve core community-based and close custody services, but the 5% scenario introduces significant impacts with long-term implications for youth safety, staff capacity, and facility operations.

The 2.5% reduction scenario focuses on administrative efficiencies and modest service reductions. The 5% scenario introduces major structural changes that will significantly reduce system capacity, increase operational risk, and compromise youth outcomes. The compounded effects of facility closures, staff reductions, and program cuts will cascade across Oregon's juvenile justice system, with long-term consequences for public safety, equity, and fiscal sustainability.

## Reduction Options

### ***COMMUNITY SERVICES POSITION REDUCTIONS***

<b>6 Positions</b>	<b>\$(2,600,000) 2.5%</b>
<b>3 Positions</b>	<b>\$(1,300,000) 5%</b>

- These positions in Community Services are currently vacant.

- Community Services has undertaken a budget realignment process through ongoing personal finance plans that repurpose long-term vacant positions to bring needed positional infrastructure to programming, such as the Victim’s Service unit. Removal of that internal resource would require the agency to request additional funding for critical roles in the future instead of using resources that are already available.

### ***GENERAL VACANCY AND SERVICE & SUPPLIES REDUCTION***

<b>Reduced across all areas of the agency</b>	<b>\$ (1,600,000) 2.5%</b>
<b>Reduced across all areas of the agency</b>	<b>\$ (1,779 875) 5%</b>

- These reductions could limit access to overtime for the Professional Standards Office which delays resolution of aged or unassigned cases, weakening internal accountability.
- Funding constraints restrict the agency’s ability to contract for critical services that support safety for youth and staff, consult on program development, or invest in innovations that improve outcomes.
- These reductions also inhibit efforts to strengthen grievance and complaint systems—key mechanisms for transparency and youth voice. Without sufficient resources, OYA’s capacity to identify and address systemic safety issues is diminished, ultimately compromising both public safety and the rehabilitative goals of Oregon’s juvenile justice system.

### ***PROGRAM SUPPORT CONSOLIDATION POSITIONS AND S&S***

<b>Position reduction or consolidation</b>	<b>\$ (1,500,000) 2.5%</b>
<b>Position reduction or consolidation</b>	<b>\$ (2,000,000) 5%</b>

- Undermines implementation of OYA’s new performance management program aimed at strengthening accountability, execution, and transparency.
- Decreases OYA’s ability to provide multicultural, culturally responsive, and developmentally appropriate services to youth across facilities.
- Administrative and program support responsibilities will need to be absorbed by remaining staff, diverting attention from core developmental and treatment services.
- Scaling back specialized treatment oversight may reduce the effectiveness and consistency of programs designed to meet youth behavioral and developmental needs.
- Reduced capacity may hinder timely data reporting, program support for county partners, and OYA’s ability to respond to legislative and operational requirements.
- OYA would face challenges in maintaining the current level of culturally responsive services, leading to potential gaps in training, policy development, and support services that are essential for fostering an inclusive environment.

## ***GRANT REDUCTIONS***

<b>Reduced funds for OYA grantees</b>	<b>\$ (2,500,000) 2.5%</b>
<b>Reduced funds for OYA grantees</b>	<b>\$ (2,500,000) 5%</b>

- Unable to support emergent needs in residential programs (e.g., pest infestations, vehicle breakdowns) and covers rising insurance costs, preventing closures.
- Diminishes capacity building for new and culturally responsive programs serving diverse youth populations.
- Grant funded programs are in high need for OYA to appropriately serve youth.
- Reductions risk program closures or service cuts, limiting placements and potentially forcing youth into more expensive Close Custody Facilities.
- Limited residential placements may result in premature return to the community, increasing risk to youth and public safety.
- Limited community placements also increase the odds of youth languishing in a correctional facility. (the most expensive intervention)
- Restricts the ability to build needed infrastructure for the female youth population, as existing beds are limited and sometimes unavailable.
- Provides flexible funding critical to sustaining the continuum of care and ensuring effective, safe services.

## ***FOSTER CARE BED REDUCTION***

<b>(-) 50 Beds</b>	<b>\$(2,546,400) 2.5%</b>
<b>(-) 20 Beds</b>	<b>\$(1,018,560) 5%</b>

- Reduces access to developmentally appropriate, cost-effective, home-like placements, potentially delaying or disrupting community reintegration.
- Undermines trauma-informed care and efforts to expand home-like, rehabilitative environments.
- Limits the potential to repurpose some foster care beds for female residential program expansion or as treatment needs arise.

## ***FACILITY CLOSURES***

<b>Transition Camp Florence</b>	<b>(-) 16 Beds</b>	<b>\$(3,066,386) 5%</b>
<b>Transition Camp Tillamook</b>	<b>(-) 16 Beds</b>	<b>\$(2,695,692) 5%</b>
<b>Tillamook Youth Correctional Facility (YC)</b>	<b>(-) 32 Beds</b>	<b>\$(6,561,861) 5%</b>
<b>GF Debt Service YC Construction</b>		<b>\$(1,474,000) 5%</b>

- Relocating youth to remaining facilities increases unit density, limiting the ability to place youth in settings appropriate to their needs, risks, and programming, and

making it more difficult to meet PREA requirements for safe and appropriate housing.

- Higher unit density may increase the potential for incidents, impacting safety and security for youth and staff.
- If some youth are transitioned to community settings, there will be increased demand on community-based services, including foster care placements and specialized residential programs.
- The current capacity of community programs may not meet the increased demand, which could delay placements, strain contracted providers and potentially impact public safety.

### **Additional Operational Impacts and Important Notes**

- **Healthcare Access:** Closure of facilities eliminates on-site medical services, increasing reliance on community providers. This will delay care, increase costs, and create safety risks due to the frequency of youth transport.
- **Youth Development:** Loss of vocational and transitional programs (e.g., firefighting, construction) at transitional camps reduces youth readiness for reentry.
- **Equity and Capacity Building:** Grant reductions halt support for culturally specific and emerging programs, undermining OYA's equity goals and long-term system resilience.
- **System Strain:** Absorbing displaced youth from closed facilities into already full YCFs will degrade service quality and increase staff workload, especially in healthcare and case management. If youth are transitioning to MacLaren Youth Correctional Facility, it would impede improvement efforts and responsiveness to upcoming reports from the Safety Advisory Committee and Marion County Grand Jury.
- **Other Funds Note:** OYA receives other funds that are held in trust for youth, such as a portion of Social Security benefits and money earned by youth through participation in work crew programming. Any reductions or sweeps to other purposes in those areas are not allowable; funding must remain at OYA for the cost of care or youth benefit.

### **Strategic Priorities Maintained**

- **Community-Based Services:** Both scenarios attempt to preserve community programs and care coordination.
- **Cost Avoidance:** Foster care and grant-funded programs are more cost-effective than close custody placements but are at risk under both scenarios.

### **Conclusion**

The 2.5% reduction scenario focuses on administrative efficiencies and modest service reductions. The 5% scenario introduces major changes that will significantly reduce system

capacity, increase operational risk, and compromise youth outcomes. The compounded effects of facility closures, staff reductions, and program cuts pose serious risks to:

- **PREA compliance**
- **Youth rehabilitation and reentry**
- **Public safety and community trust**

We look forward to presenting more about operational impacts and our methodologies for identifying reduction areas during the 2025 Legislative Days. Please feel free to reach out to us if you have any questions or requests for additional information.

Sincerely,

A handwritten signature in black ink, appearing to read 'Mike Tessean', with a stylized flourish at the end.

Mike Tessean  
OYA Director

Oregon Youth Authority (OYA)																
2025-27 Biennium																
			2025-27 LAB	443,651,458	-	6,294,673	-	-	-	-	449,946,131					
Detail of Reductions to 2025-27 Legislatively Adopted Budget																
1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17
Priority (ranked most to least preferred)		Agency	SCR or Activity Initials	Program Unit/Activity Description	GF	LF	OF	NL-OF	FF	NL-FF	TOTAL FUNDS	Pos.	FTE	Gov. Reduction Target Yes / No	One-Time Yes / No	Describe the reduction and associated impact on services and outcomes. Please identify the source of Other Funds reductions.
Dept	Prgm/ Div															
2	2	OYA	41500-010-00-00-00000, 41500-020-00-00-00000, 41500-030-00-00-00000	General Vacancy / S&S reductions	(1,644,886)						\$ (1,644,886)	0	0.00	Yes	YES	Services and supplies reductions and held vacancies impacting services to youth, program operations, and agency mission effectiveness.
3	3	OYA	41500-030-00-00-00000	Program Support Consolidation	(1,500,000)						\$ (1,500,000)	(2)	(5.00)	No	NO	Positional reductions impacting services to youth, program operations, and agency mission effectiveness.
1	1	OYA	41500-020-00-00-00000	Community Programs: Reduction of 6 JPPO positions, S&S, and special pay	(2,600,000)						\$ (2,600,000)	(6)	(6.00)	No	NO	A reduction of statewide community placement capacity and parole & probation staff limits the state’s ability to provide supervision and reformation services in a setting that best meets the youth’s public safety risk.
4	4	OYA	41500-020-00-00-00000	Grant Funding Reduction	(2,500,000)						\$ (2,500,000)	0	0.00	No	NO	Inhibits the ability to build capacity for residential programs for a diverse youth population and trauma-informed care. Limits community placements.
5	5	OYA	41500-020-00-00-00000	Foster Care Bed Reduction	(2,546,400)						\$ (2,546,400)	0	0.00	No	NO	A reduction of statewide community placement capacity limits the state’s ability to provide supervision and reformation services in a setting that best meets the youth’s public safety risk.
6	6	OYA	41500-010-00-00-00000	Facility Services: reduce services to youth VESoy (Vocational, Educational Services for Older Youth)	(300,000)		(157,367)				\$ (457,367)	0	0.00	No	YES	Reduces the ability to support youth with vocational training and educational opportunities.
											\$ -					
				TOTAL	(11,091,286)	-	(157,367)	-	-	-	\$ (11,248,653)	(8)	(11.00)			
Target (2.5%) Difference				(11,091,286)	-	(157,367)	-	-	-	-	(11,248,653)					

Oregon Youth Authority (OYA)																
2025-27 Biennium																
			2025-27 LAB	443,651,458	-	6,294,673	-	-	-	449,946,131						
Detail of Reductions to 2025-27 Legislatively Adopted Budget																
1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17
Priority (ranked most to least preferred)		Agency	SCR or Activity Initials	Program Unit/Activity Description	GF	LF	OF	NL-OF	FF	NL-FF	TOTAL FUNDS	Pos.	FTE	Gov. Reduction Target Yes / No	One-Time Yes / No	Describe the reduction and associated impact on services and outcomes. Please identify the source of Other Funds reductions.
Dept	Prgm/ Div															
3	3	OYA	41500-030-00-00-00000	Program Support Consolidation	(2,000,000)						\$ (2,000,000)	(2)	(6.00)	No	NO	Positional reductions impacting services to youth, program operations, and agency mission effectiveness.
2	2	OYA	41500-010-00-00-00000, 41500-020-00-00-00000, 41500-030-00-00-00000	General Vacancy / S&S reductions	(1,779,875)						\$ (1,779,875)	0	0.00	Yes	YES	Services and supplies reductions and held vacancies impacting services to youth, program operations, and agency mission effectiveness.
1	1	OYA	41500-020-00-00-00000	Community Programs: Reduction of 3 JPPO positions, S&S, and special pay	(1,300,000)						\$ (1,300,000)	(3)	(3.00)	No	NO	A reduction of statewide community placement capacity and parole & probation staff limits the state’s ability to provide supervision and reformation services in a setting that best meets the youth’s public safety risk.
5	5	OYA	41500-020-00-00-00000	Grant Funding Reduction	(2,500,000)						\$ (2,500,000)	0	0.00	No	NO	Inhibits the ability to build capacity for residential programs for a diverse youth population and trauma-informed care. Limits community placements.
4	4	OYA	41500-020-00-00-00000	Foster Care Bed Reduction	(1,018,560)						\$ (1,018,560)	0	0.00	No	NO	A reduction of statewide community placement capacity limits the state’s ability to provide supervision and reformation services in a setting that best meets the youth’s public safety risk.
6	6	OYA	41500-010-00-00-00000	Facility Services: Closure of two transitional facilities (Camp Tillamook and Camp Florence) and one correctional facility (Tillamook Correctional Facility) eliminating close-custody beds and 83 positions	(12,110,137)		(314,734)				\$ (12,424,871)	83	(39.75)	No	NO	A reduction of close-custody capacity will restrict the state's ability to provide reformation and treatment services to youth who need a secure setting. Some youth will need to be paroled before they are ready for release.
6	6	OYA	41500-086-00-00-00000	GF Debt Service - Giveback from Construction	(1,474,000)						\$ (1,474,000)	0	0.00	No	YES	Construction could not resume at a later date.
											\$ -					
				TOTAL	(22,182,572)	-	(314,734)	-	-	-	\$ (22,497,306)	78	(48.75)			
Target (5%) Difference					(22,182,572) (0)	- -	(314,734) (0)	-	-	-	(22,497,306)					

Oregon Youth Authority (OYA) 2025-27 Biennium															
Detail of Programs in the 2025-27 Legislatively Approved Budget that have been established or expanded since 2021-23															
1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16
Agency	SCR	Program Establishment / Expansion			Program Description	GF	LF	OF	NL-OF	FF	NL-FF	TOTAL FUNDS	Pos.	FTE	Implementation Status
		Biennium	Effective Date	Authorization											
415	41500-010-00-00-00000	2021-2023	10/1/2021	HB 5039 - DEI POP 102	CRC POS - Conflict Resolution Coordinator	214,466						\$ 214,466	1	1.00	fully implemented
415	41500-010-00-00-00000	2021-2023	1/1/2022	HB 5039 - SOT POP 107	SOT QMHP	675,391						\$ 675,391	3	3.00	fully implemented
415	41500-010-00-00-00000	2021-2023	7/1/2021	HB 5006 - POP 811 REDUCED CHILD SUPPORT	increase GF in Health Services for loss of OF	801,378						\$ 801,378	0	0.00	fully implemented
415	41500-020-00-00-00000	2021-2023	10/1/2021	HB 5006 - POP 811 - Expunctions	County reimbursement for expunctions required by SB 575 (2021)	1,841,868						\$ 1,841,868	0	0.00	fully implemented
415	41500-030-00-00-00000	2021-2023	11/1/2021	HB 5039 - DEI POP 102	DEI - Youth Coordinators: Hispanic, African American, Asian/Pacific Islander, LGBTQ+ and tattoo removal	969,596				28,671		\$ 998,267	5	5.00	fully implemented
415	41500-030-00-00-00000	2021-2023	7/1/2021	HB 5039 - POP 105	DAS State Data Center - Cover State Data Center Charges	540,557				18,910		\$ 559,467	0	0.00	fully implemented
415	41500-030-00-00-00000	2021-2023	7/1/2021	HB 5039 - POP 106	DAS State Government Service Charges - cover shortfall	183,483				6,419		\$ 189,902	0	0.00	fully implemented
415	41500-010-00-00-00000	2023-2025	7/1/2024	SB 5541 - POP 201	POP 201 – Mental Health Needs, MacLaren and Oak Creek - QMHPs	347,400						\$ 347,400	3	3.00	fully implemented
415	41500-010-00-00-00000	2023-2025	7/1/2024	SB 5541 - POP 211	POP 211: PREA/Security CCTV; Migrate Data - in PPO	269,976						\$ 269,976	2	2.00	fully implemented
415	41500-010-00-00-00000	2023-2025	1/1/2024	SB 5541 - POP 301	POP 301: Permanent Equitable Capacity for JWTP	283,846						\$ 283,846	2	2.00	fully implemented
415	41500-020-00-00-00000	2023-2025	7/1/2024	SB 5541 - POP 207	POP 207: Crime Survivor Services to Support Victims	327,455				55,577		\$ 383,032	2	2.00	fully implemented
415	41500-030-00-00-00000	2023-2025	7/1/2024	SB 5541 - POP 205	DEI & PHD Operational Infrastructure for HR OPA3, HRA2, TDS2	583,708				18,610		\$ 602,318	3	3.00	fully implemented
415	41500-030-00-00-00000	2023-2025	7/1/2024	SB 5541 - POP 209	DEI & Sustainability Efforts in Procurement - Procurement working manager & PCS2	255,910		3,536		4,021		\$ 263,467	2	2.00	fully implemented
415	41500-030-00-00-00000	2023-2025	7/1/2024	SB 5541 - POP 210	Sustainability - Employee Payroll & Benefits - 1 Payroll Analyst	101,095				3,224		\$ 104,319	1	1.00	fully implemented
415	41500-030-00-00-00000	2023-2025	1/1/2024	SB 5541 - POP 211	PREA/Security CCTV; Migrate Data	522,115				9,515		\$ 531,630	1	1.00	fully implemented
415	41500-030-00-00-00000	2025-2027	7/1/2025	HB 5041 - POP 801	PSO POP: deputy chief investigator, human resource analyst, case screener, youth and family advocate, and two new investigators.	2,177,289				66,877		\$ 2,244,166	6	6.00	fully implemented
415	41500-030-00-00-00000	2025-2027	1/1/2026	HB 2677 - POP 812	DOA POP: additional resources for expunction of records requirements.	194,019				5,960		\$ 199,979	1	0.75	to phase in Jan 1, 2026
												\$ -			
												\$ -			
												\$ -			
				TOTAL		10,289,552	-	3,536	-	217,784	-	\$ 10,510,872	32	31.75	

Instructions

Column (5) - Authorization should identify the source of the new program or program expansion, which could include enabling legislation, approved policy option package, or administrative establishment.  
Column (6) - Program description should include a summary of the program and the expansion (if applicable), including any partner state agencies.  
Column (16) - Current status of program implementation should be summarized, including any future budget requests anticipated upon full program implementation.