

**75th OREGON LEGISLATIVE ASSEMBLY – 2009 Regular Session
BUDGET REPORT AND MEASURE SUMMARY**

MEASURE: HB 5003-A

JOINT COMMITTEE ON WAYS AND MEANS

**Carrier – House: Rep. Kotek
Carrier – Senate: Sen. Walker**

Action: Do Pass as Amended and Be Printed A-Engrossed

Vote: 19 – 2 – 1

House – Yeas: Buckley, D. Edwards, Galizio, Garrard, Jenson, Komp, Kotek, Nathanson, Shields

– Nays: Gilman, Richardson

– Exc: G. Smith

Senate – Yeas: Bates, Carter, Girod, Johnson, Monroe, Nelson, Verger, Walker, Whitsett, Winters

– Nays:

– Exc:

Prepared By: Lisa Pearson, Department of Administrative Services

Reviewed By: Erica Kleiner, Legislative Fiscal Office

Meeting Date: June 5, 2009

Agency

Oregon Commission for the Blind

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Biennium

2009-11

Budget Summary*

	2007-09 Legislatively Approved Budget (1)	2009-11 Essential Budget Level	2009-11 Committee Recommendation	Committee Change from 2007-09 Leg. Approved	
				\$\$ Change	% Change
General Fund	\$ 1,602,398	\$ 1,710,148	\$ 1,513,682	\$ -88,716	-5.5%
Other Funds	\$ 2,497,700	2,517,386	2,534,109	36,409	1.5%
Federal Funds	\$ 12,157,237	\$ 11,448,361	\$ 11,928,880	\$ -228,357	-1.9%
Total	\$ 16,257,335	\$ 15,675,895	\$ 15,976,671	\$ -280,664	-1.7%

Position Summary

Authorized Positions	50	51	51	1
Full-time Equivalent (FTE) positions	47.24	47.60	47.60	0.36

(1) Includes adjustments through the December 2008 meeting of the Emergency Board

* Excludes Capital Construction expenditures

Summary of Revenue Changes

General Fund and part of the agency's Other Funds are used to match Federal Funds. The principal source of Federal Funds is the Section 110 grant under the Vocational Rehabilitation Act of 1973. These funds are matched at a rate of 21.3 percent state funds to 78.7 percent federal funds. Under the American Recovery and Reinvestment Act, more Federal Funds became available, making it possible to restore some service reductions that would have otherwise been necessary. The agency's Other Funds remain stable, with revenue coming from a contract with Multnomah County for the Industries for the Blind program and from blind vending venues.

Summary of Human Resources Subcommittee Action

The mission of the Commission for the Blind is to assist blind Oregonians in making informed choices and decisions to achieve full inclusion and integration in society through employment, independent living, and social self-sufficiency. The Commission is a consumer-controlled, seven-member board appointed by the Governor. The agency's programs are focused on two main objectives: employment and independence.

The subcommittee approved a budget of \$15,976,671 total funds consisting of \$1,513,682 General Fund, \$2,534,109 Other Funds, and \$11,928,880 Federal Funds, including 51 positions (47.60 full-time equivalents). The approved budget is 1.7 percent less than the legislatively approved budget as of December 2008 and 8.2 percent greater than the 2009-11 Essential Budget Level.

Budget Note:

The Oregon Commission for the Blind is instructed to report to the next meeting of the interim Joint Committee on Ways and Means or the next meeting of the Emergency Board on its progress in implementing appropriate measures to improve the agency's business practices. In its report, the agency must outline what measures have been taken to resolve the issues raised by the Secretary of State in its May 2009 audit of the Commission and what measures have been taken to improve the agency's performance in assisting its clients in gaining employment.

Administrative Services

The Administrative Services program provides business support for the agency. The Subcommittee approved a budget of \$1,574,065 total funds consisting of \$105,507 General Fund, \$80,980 Other Funds, and \$1,387,578 Federal Funds, including 8 positions (7.50 FTE).

Package 810: Analyst Adjustments was approved by the subcommittee; this package reduces General Fund by \$146,088. The reduction results from state General Fund revenue constraints, and is consistent with the Ways and Means Co-Chairs' budget plan. The amount is a little lower than the original Co-Chairs' plan because of a duplication in the original estimate.

Rehabilitative Services

Basic Vocational Rehabilitative Services are for eligible legally blind clients who want to go to work or maintain their job. These services are provided through a state partnership with the U.S. Department of Education's Rehabilitation Services Administration (RSA). Services include training, counseling and guidance, and technology services. Besides basic vocational rehabilitation services, other services include teaching independent living skills and the provision of transitional programming for students before they leave school. The program unit also includes services for the Older Blind that are intended to maintain their independence. The subcommittee approved a budget of \$9,612,590 total funds consisting of \$997,591 General Fund, \$704,496 Other Funds, and \$7,910,503 Federal Funds, including 29 positions (27.50 FTE). The subcommittee approved Package 070: Revenue Shortfalls, which reduces General Fund expenditures by \$23,599 and Federal Fund expenditures by \$606,910. Federal revenue had not been keeping pace with cost increases over time.

Package 811: Federal Limitation was approved by the subcommittee; this package adds \$49,416 Other Funds expenditure limitation and \$630,509 Federal Funds expenditure limitation from federal stimulus funds. The Other Funds provides the state match for the Federal Funds. This package restores one position (1.00 FTE) that was eliminated in Package 070 because of inadequate federal revenue under standard allocations. The position is restored on a limited duration basis.

Business Enterprises

This program provides management experience for the blind through the blind vending program and also provides ongoing assistance to blind vendors. It is operated under the federal Randolph-Shepherd Act. Clients receive training in vending management and may apply to manage a vending site. The agency provides ongoing technical assistance. The subcommittee approved a budget of \$761,360 total funds consisting of \$50,012 General Fund, \$242,686 Other Funds, and \$468,662 Federal Funds, including two positions (2.00 FTE).

Industries for the Blind

The Industries for the Blind serves clients who are both blind and developmentally disabled. It is operated in conjunction with the Multnomah County Mental Health Department. Clients receive experience through a work activity center. None of the staff for the Industries are state employees. The Subcommittee approved a budget of \$1,484,346 total funds (same amount Other Funds) and no positions.

Orientation Center for the Blind

The Orientation Center for the Blind program unit provides skills training for newly blind adults so they may remain as independent as possible. It also operates a Summer Work Experience Program (SWEP) for students to gain work experience and to provide an opportunity for students to have an independent living experience. The subcommittee approved a budget of \$2,544,310 total funds consisting of \$360,572 General Fund, \$21,601 Other Funds, and \$2,162,137 Federal Funds, including 12 positions (10.60 FTE). The subcommittee approved Package 070: Revenue Shortfalls, which reduces General Fund by \$26,779, Other Funds by \$32,693, and Federal Funds by \$219,741.

Package 811: Federal Limitation was approved by the subcommittee; this package adds \$676,661 Federal Funds expenditure limitation from federal stimulus funds. The Other Funds provides the state match for the Federal Funds. This package restores two positions (2.00 FTE) that were eliminated in Package 070 because of inadequate federal revenue under standard allocations. The position is restored on a limited duration basis.

Summary of Performance Measure Action

See attached Legislatively Adopted 2009-11 Key Performance Measures form.