

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

MEASURE: HB 5037-A

JOINT COMMITTEE ON WAYS AND MEANS

**Carrier – House: Rep. Shields
Carrier – Senate: Sen. Verger**

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

Vote: 21 – 1 – 0

House – Yeas: Buckley, C. Edwards, D. Edwards, Galizio, Garrard, Jenson, Kotek, Nathanson, Richardson, Shields, G. Smith

– Nays: Gilman

– Exc:

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

– Nays:

– Exc:

Prepared By: Michael Kennedy, Department of Administrative Services

Reviewed By: Doug Wilson, Legislative Fiscal Office

Meeting Date: June 24, 2009

Agency
Oregon State Police

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LFO Analysis Page

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	\$ 221,005,959	\$ 249,458,648	\$ 222,375,168	\$ 1,369,209	0.6%
General Fund Debt Service	\$ 3,703,316	\$ 17,235,808	\$ 14,420,077	\$ 10,716,761	289.4%
Lottery Funds	\$ 7,150,132	\$ 7,596,103	\$ 7,442,864	\$ 292,732	4.1%
Other Funds	\$ 83,166,360	\$ 85,311,266	\$ 98,840,372	\$ 15,674,012	18.8%
Federal Funds	\$ 19,741,643	\$ 13,310,911	\$ 7,348,547	\$ -12,393,096	-62.8%
Total	\$ 334,767,410	\$ 372,912,736	\$ 350,427,028	\$ 15,659,618	4.7%

Position Summary

Authorized Positions	1,333	1,325	1,264	-69	-5.2%
Full-time Equivalent (FTE) positions	1,229.16	1,320.75	1,235.52	6	0.5%

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

* Excludes Capital Construction expenditures

Summary of Revenue Changes

General Fund provides 68.8 percent of total funding for the department. Ballot Measure 66 Lottery Funds partially support Fish and Wildlife enforcement and account for just two percent of the budget. Other Fund revenues include charges to state agencies for patrol, fish and wildlife, and investigative services; and fees for services related to processing handgun permits, open records checks, and fingerprint checks. Gaming enforcement activities are funded by the Lottery Commission, Native American tribes, and vendors and contractors. In total, Other Funds are over 27.1 percent of the budget. Federal Fund revenues are received for fish and wildlife and investigative services and account for 1.7 percent of the budget.

Summary of Public Safety Subcommittee Action

The mission of the Department of State Police (OSP) is "...to develop, promote and provide protection to the people, property and natural resources of the state, along with ensuring the state's safety and livability by serving, protecting and educating its citizens and visitors through leadership, action, coordination, and cooperation with our public safety partners." Functions include patrol services, criminal investigations, forensic lab services, and fish and wildlife law enforcement, law enforcement information management, gaming law enforcement. The agency also houses the offices of the State Medical Examiner and the State Fire Marshal. For 2009-11, remaining federal grant administration functions are transferred to the Criminal Justice Commission.

The Legislature is currently considering House Bill 3508, which would generate General Fund savings by delaying implementation of Measure 57 (2008), instituting changes to earned time computations, and making adjustments to sentencing guidelines. House Bill 5053 is the companion budget

bill that would spend a portion of these savings to restore cuts made to a variety of public safety agencies, including the Oregon State Police. If House Bills 3508 and 5053 pass, the portion of the cuts detailed below will be restored.

The Subcommittee approved a budget of \$350.4 million total funds and 1,235.52 full-time equivalent positions (FTE). This is a 6.0 percent decrease from the Essential Budget Level and a 4.7 percent increase from the 2007-09 Legislatively Approved Budget (LAB) through December 2008.

Administrative Services

The Administrative Services Program includes the Office of the Superintendent, financial services, fleet management, labor relations, dispatch, and other agency-wide support and staff. The Training unit of this program recruits, selects, and retains the sworn workforce. The budget for this program also includes the debt service for the agency, with the exception of debt service on Certificates of Participation (COPs) issued for equipment replacement in the Patrol Division and debt service on COPs for OWIN. The Subcommittee approved a budget of \$44.6 million total funds and 166 positions (165.50 FTE). This is a 16.9 percent decrease from the Essential Budget Level and a 2.1 percent increase from the 2007-09 LAB.

Package 114: Transfer Grant Program to Criminal Justice Commission. The Subcommittee approved this package to move the administration of federal grants to the Criminal Justice Commission, which has substantial expertise in this area. The adjustment totals \$7.7 million total funds and five positions (5.00 FTE). A technical adjustment is included to shift funding of one Accountant 2 position to Other Funds.

Package 801: LFO Analyst Technical Changes. The subcommittee approved this package to redistribute rent allocations and State Government Service Charge costs across the agency's divisions to reflect recent usage patterns. In addition, the package increases federal funds limitation for two projects that will carry over into the 2009-11 biennium. The result of the package is an increase in total funds of \$707,681.

Package 811: Other Reductions. The Subcommittee approved this package to take various reductions, including three positions in fleet, procurement, and accounting areas, three positions in dispatch command, three positions in the training section, one position in the payroll unit, and one position in computer services support. In addition, reductions were made to the wireless program by reducing overtime, services and supplies, and capital outlay. The total reduction equals \$2.1 million and seven positions (6.50 FTE).

Package 813: Fund Shifts. The Subcommittee approved this package to shift the Fish and Wildlife Division's share of administrative and support costs from General Fund to the division's other fund resources. The value of the shift is \$2.3 million and is supported by an increase in licensing fees at the Department of Fish and Wildlife.

The Subcommittee added the following instructions:

The Department will consider allocating central administrative and support service costs to other programs that have non-General Fund sources of revenue in developing its budget for 2011-13. The Department will report on this analysis as part of its budget presentation to the Joint Committee on Ways and Means during the 2011 Session.

Patrol Services Division

The Patrol Division provides uniformed police presence and law enforcement services throughout the state with primary responsibility for traffic safety and response to emergency calls on Oregon's highways. Services include enforcement of the Motor Vehicle Code, Motor Carrier Regulations, Public Utility Commission Laws, Criminal Code, and assistance to local public safety agencies and the public. In addition, this division includes the Capitol Mall Security and the Dignitary Protection units. The Subcommittee approved a budget of \$131.6 million total funds and 498.75 FTE positions. This is a 4.1 percent reduction from Essential Budget Level and a 12.2 percent increase from the 2007-09 LAB.

Package 801: LFO Analyst Technical Changes. The subcommittee approved this package to redistribute rent allocations and State Government Service Charge costs across the agency's divisions to reflect recent usage patterns. The result of the package is an increase in total funds of \$305,198.

Package 804: Roll-up of 2007-09 Reductions. This package reflects the full 24-month impact of reductions taken during the 2007-09 biennium to address the budgetary shortfall. Specifically, the package includes savings from reductions made to the Mobile Response Team and the division's airplane program. Adjustments amount to \$315,000 total funds.

Package 810: Trooper Reductions. The Subcommittee approved this package to delay hiring of 39 patrol troopers to the second half of the 2009-11 biennium. This is the final group of patrol troopers required to achieve "minimal 24/7 coverage" on Oregon's major highways. These positions were originally to be brought on late in the 2007-09 biennium, but were delayed as part of the budget reconciliation process. Savings owing to this action equal \$5.6 million total funds and a reduction of 24.25 FTE.

Fish and Wildlife Division

The primary mission of Fish and Wildlife Division is to assure compliance with laws that protect and enhance the long term health and equitable utilization of fish and wildlife resources. The officers assigned to this Division also routinely enforce traffic, criminal, boating, livestock, and environmental laws. OSP staff work closely with the Department of Fish and Wildlife (ODFW), the Water Resources Department, and the Marine Board in the enforcement of their rules. This Division also plays a crucial role in enforcing the Oregon Plan requirements for fish habitat protection and stream bed enhancement. Lottery Funds (Ballot Measure 66, 1998) are specifically dedicated for this purpose. The Subcommittee approved a budget of \$32.9 million total funds and 116 positions (115.52). This is a 1.6 percent increase from the 2007-09 LAB.

Package 109: Fish and Wildlife Enforcement & Support. This package was approved to make three enhancements to the fish and wildlife enforcement program. Two limited-duration positions are continued to support a joint enforcement agreement with National Oceanic and Atmospheric Administration. Two officers are added for enforcement in Central Oregon and are supported with additional funding from Department of Fish and Wildlife fees. Finally, two officers are added to enforce regulations related to all-terrain vehicle use and are supported with funds transferred from the Parks and Recreation Department. In all, the package amounts to \$1.4 million total funds and includes eight positions (7.52 FTE).

Package 801: LFO Analyst Technical Changes. The subcommittee approved this package to redistribute rent allocations and State Government Service Charge costs across the agency's divisions to reflect recent usage patterns. The result of the package is an increase in total funds of \$25,693.

Package 810: Trooper Reductions. The Subcommittee approved this package to take reductions to the fish and wildlife enforcement program. The package includes increases in Other Funds and Federal Funds limitation that partially offset reductions in General Fund resources. The net impact is a reduction of \$2.2 million total funds and eleven sworn trooper positions (11.00 FTE).

Package 811: Other Reductions. The purpose of this package is to reduce Measure 66 lottery funds by \$291,316. All of the reduction occurs in the capital projects portion of the Measure 66 allocation.

Criminal Investigation Division

The Criminal Investigation Division augments and supports local law enforcement through investigation of major crimes, the pursuit and apprehension of criminal offenders, and the gathering of evidence. Many of the crimes investigated by OSP are intrastate and multi-jurisdictional. Specialized areas or units include arson/explosives, drug investigations, intelligence, missing children clearinghouse, sex offender registration, sexually exploited children, polygraph examinations, computer crimes, homicide incident tracking system (HITS), and crimes in state correctional institutions. Before the budget reductions made in 2001-03, detectives were participating in 36 county child abuse multi-disciplinary teams; 29 interagency major crime teams; and many other groups including drug investigative teams, arson task forces, and district attorney investigative support teams. With the budget approved by the Subcommittee, these activities are limited substantially. The Subcommittee approved a budget of \$30.6 million total funds and 111 positions (111.00 FTE). This is a 21.5 percent reduction from the 2007-09 LAB.

Package 115: Position Reclassification. The purpose of this package is to eliminate the agency's component of the Tobacco Tax Compliance Task Force. Compliance rates have risen significantly since the task force's inception, thus reducing the level of resources needed to maintain the effort. The package includes the elimination of five sworn trooper positions (5.00 FTE). The savings incurred equal \$1.2 million Other Funds.

Package 801: LFO Analyst Technical Changes. The subcommittee approved this package to redistribute rent allocations and State Government Service Charge costs across the agency's divisions to reflect recent usage patterns. The result of the package is a decrease in total funds of \$289,947.

Package 810: Trooper Reductions. The Subcommittee approved this package to take reductions in the criminal investigation program. Reductions are made to sworn staff assigned to identity theft, meth-related, and major crimes investigations. The package amounts to \$6.7 million and 29 positions (29.00 FTE).

Forensic Services Division

The Forensics Services Division provides scientific, technical, and investigative support to all criminal justice agencies across the state through forensic analysis. Forensic labs are located in Bend, Central Point, Ontario, Pendleton, Clackamas, and Springfield. A DNA Unit is also located in the Portland lab. This system is the only "full service" crime lab in the state, and roughly 90% of its work is done for law enforcement agencies other than OSP, including local police, sheriffs, and district attorneys. The Implied Consent Unit is responsible for approval, certification, and servicing of portable breath testing instruments, and also trains and certifies over 5,000 law enforcement officers in the use of breath testing instruments. This unit also provides expert testimony regarding the use of these devices. The Subcommittee approved a budget of \$30.7 million total funds and 108 positions (108.00 FTE). This is a 12.5 percent reduction from Essential Budget Level and a 2.1 percent decrease from the 2007-09 LAB.

Package 106: Forensics Staffing. The Subcommittee approved this package to increase Other Funds limitation commensurate with an increase in revenues related to breath test refusals. The increase amounts to \$150,000 total funds.

Package 115: Position reclassifications. This package was approved to support reclassification of two Criminalist 3 positions and three entry-level Forensics Scientist positions to the Forensic Scientist 1 classification. The Department of Administrative Services has reviewed and approved these adjustments. The agency is directed to absorb the costs within the existing budget.

Package 801: LFO Analyst Technical Changes. The subcommittee approved this package to redistribute rent allocations and State Government Service Charge costs across the agency's divisions to reflect recent usage patterns. The result of the package is a decrease in total funds of \$9,529.

Package 811: Other Reductions. The subcommittee approved this package to take reductions in the Forensics Division. Included are the elimination of 18 technician, scientist, and management positions. Additionally, the Ontario lab may be closed with this reduction. The total value of the package is \$4.5 million and 18 positions (18.00 FTE).

Office of the State Medical Examiner

The Medical Examiner's Office is located in Clackamas and provides technical assistance and supervision to 36 county offices, directs investigations, provides direct professional services (autopsies, court testimony, case review, and consultation), and certifies the cause and manner of all investigated deaths. The State Medical Examiner appoints all 36 county examiners. The Office maintains records and provides training on death investigations to medical school physicians and students, law students, police officers, and emergency medical technicians. The Subcommittee approved a budget of \$4.6 million total funds and nine positions (9.00 FTE). This is a 5.9 percent increase from the 2007-09 LAB.

Package 801: LFO Analyst Technical Changes. The subcommittee approved this package to redistribute rent allocations and State Government Service Charge costs across the agency's divisions to reflect recent usage patterns. The result of the package is a decrease in total funds of \$31,937.

Law Enforcement Information Division

The Law Enforcement Information Division provides a broad and extensive array of specialized data, investigative information, and identification services in support of Oregon law enforcement, the broader criminal justice system, regulatory agencies, private individuals, and entities otherwise authorized for access to sensitive criminal history information. The Subcommittee approved a budget of \$20.9 million total funds and 100 positions (99.50 FTE). This is a 25.4 percent decrease from the 2007-09 LAB.

Package 115: Position Reclasses. The purpose of this package is to move the director position from a Principal Executive Manager (PEM) E to a PEM F. The agency is directed to absorb the cost within the existing budget.

Package 801: LFO Analyst Technical Changes. The subcommittee approved this package to redistribute rent allocations and State Government Service Charge costs across the agency's divisions to reflect recent usage patterns. The result of the package is a decrease in total funds of \$570,875.

Package 811: Other Reductions. The Subcommittee approved this package to reduce services in the Law Enforcement Data System. Reductions include a 41 percent cut to Supplies and Service, which will require reducing travel, training and data processing costs. Additionally, a fingerprint technician and an office specialist position are eliminated. The decrease equals \$883,344 total funds and two positions (2.00 FTE).

Package 813: Fund Shifts. The Subcommittee approved this package to shift funding for the Identification Services and Firearms programs from General Fund to fee-based Other Funds. The total amount of the shift, which is primarily funded with existing balances, is \$4.6 million. The Subcommittee issued the following instructions:

The agency is instructed to review the current fees for the Identification Services unit and report back to the 2011 Legislature on the results of this review. The review must include the estimate of what a specific fee must be to support its share of costs for the total programs.

Gaming Enforcement Division

The Gaming Division ensures fairness, honesty, integrity, and security of the Oregon State Lottery and tribal gaming centers operating in Oregon. The State Lottery was established in 1985, and tribal casinos were first authorized in 1993. Since 1993, the Boxing and Wrestling Commission has operated from within the Department to ensure the integrity and honesty of boxing, wrestling, and mixed martial arts events. The Subcommittee approved a budget of \$10.7 million total funds and 42 positions (42.00 FTE). This is a 2.4 percent increase from the 2007-09 LAB.

Package 801: LFO Analyst Technical Changes. The subcommittee approved this package to redistribute rent allocations and State Government Service Charge costs across the agency's divisions to reflect recent usage patterns. The result of the package is an increase in total funds of \$11,843.

Oregon Wireless Interoperability Network

The Oregon Wireless Interoperability Network (OWIN) was established during the 2007-09 biennium to replace, consolidate and enhance the wireless communications systems of four state agencies (State Police, Corrections, Transportation, and Forestry) and the public safety communications infrastructure statewide. OWIN is the response to House Bill 2101 (2005) and federal requirements that all public safety communication systems convert to narrowband technology by January 1, 2013.

The Subcommittee approved a budget of \$21.8 million total funds and 8.00 positions (8.00 FTE).

Package 113: Oregon Wireless Interoperability Network. The Subcommittee approved this package to continue the build out of a statewide public safety wireless communications network. This package provides eight General Fund positions to administer the project, provide technical engineering expertise, handle project management, and provide programmatic support. The package also includes Other Funds limitation to fund cost of issuance for Certificates of Participation accounted for elsewhere in the budget. The cost of the package is \$9.9 million and accounts for eight positions (8.00 FTE). The Subcommittee provided the following instruction:

This package includes financial services and human resource support positions for the OWIN project. LFO suggests that at least the Human Resources Analyst 3 position report to the central Human Resource unit and primarily work on OWIN related activities but be available for work in other sections of the State Police.

Package 801: LFO Analyst Technical Changes. The subcommittee approved this package to redistribute rent allocations and State Government Service Charge costs across the agency's divisions to reflect recent usage patterns. The result of the package is an increase in total funds of \$438.

Package 811: Other Reductions. This package was approved to make an adjustment to debt service on Certificates of Participation issued during the 2007-09 biennium. The amount of the reduction is \$2.8 million.

State Fire Marshal

The State Fire Marshal is charged with protecting life and property from fire and hazardous materials. It has the following three major program areas:

- Fire Prevention Services, which is responsible for fire prevention and investigation, emergency response including the Conflagration Act, administration of the Uniform Fire Code, a clearing house for fire prevention information, and collection of fire incident data. There are 18 Deputy Fire Marshals who serve Oregon communities that choose not to provide their own full-service fire prevention programs.
- Licensing and Permit Services, which, in coordination with Fire Prevention Services, regulates the storage and use of explosives, fireworks, and liquid petroleum. This unit also administers regulations governing non-retail fuel dispensing.
- Hazardous Materials Services, which administers the Community Right to Know law, collects and maintains data on hazardous substances, and insures state and local jurisdictions are prepared to respond to incidents. This unit is also responsible for equipping, training, and assisting the 15 Regional HazMat Response Teams to insure timely and complete mitigation of hazardous materials incidents.

The Subcommittee approved a budget of \$21.9 million total funds and 78 positions (77.25 FTE). This is a 4.3 percent increase from the 2007-09 LAB.

Package 801: LFO Analyst Technical Changes. The subcommittee approved this package to redistribute rent allocations and State Government Service Charge costs across the agency's divisions to reflect recent usage patterns. The result of the package is an increase in total funds of \$214,791.

Capital Construction

This budget unit includes expenditure authority for acquisition or construction of any structure or group of structures; all land acquisitions; assessments; and improvements or additions to an existing structure, which are to be completed within a six-year period with an aggregate cost of \$500,000 or more. The expenditure limitation for each project is in effect for six years. While Capital Construction expenditure limitation is included in a separate bill to be heard by a different Ways and Means subcommittee, this Subcommittee makes recommendations on the applicable capital projects included in the Capital Construction bill.

To that end, the Subcommittee discussed the agency's Package 113: Oregon Wireless Interoperability Network (OWIN). This package would provide \$187.8 million in Certificate of Participation proceeds to fund phases 2 and 3 of the OWIN project. Phase 2 would complete infrastructure and radio capabilities for the western half of the state, as well as infrastructure build out for the northeastern section. Phase 3 completes the radio installation for the northeastern section and completes the infrastructure build out for the southeastern section. The final phase, adding the radio component to the southeastern region, is scheduled for the 2011-13 biennium.

Summary of Performance Measure Action

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