

House Bill 2503

Sponsored by Representative FREEMAN; Representatives SPRENGER, THOMPSON (Presession filed.)

SUMMARY

The following summary is not prepared by the sponsors of the measure and is not a part of the body thereof subject to consideration by the Legislative Assembly. It is an editor's brief statement of the essential features of the measure **as introduced**.

Directs Oregon Department of Administrative Services and Governor to submit budget report to Legislative Assembly that contains zero-based budget for state agencies with cumulative total of expenditures of at least 25 percent of General Fund budget.

Directs department and Governor to subject each state agency to zero-based budget review not less than once every four biennia.

A BILL FOR AN ACT

1
2 Relating to zero-based budgeting.

3 **Be It Enacted by the People of the State of Oregon:**

4 **SECTION 1. Section 2 of this 2011 Act is added to and made a part of ORS 291.201 to**
5 **291.222.**

6 **SECTION 2. (1) As used in this section:**

7 (a) "State agency" means every state officer, board, commission, department, institution,
8 branch or agency of the state government, whose costs are paid wholly or in part from funds
9 held in the State Treasury.

10 (b) "State government" has the meaning given that term in ORS 174.111.

11 (2)(a) As part of the tentative budget plan and the budget report required under ORS
12 291.210 and 291.216, the Oregon Department of Administrative Services and the Governor
13 shall:

14 (A) Submit a zero-based budget for state agencies with a cumulative total of expenditures
15 of at least 25 percent of the General Fund budget for the biennium; and

16 (B) Require state agencies selected by the department and Governor to prepare and
17 submit to the department and Governor a zero-based budget plan in addition to any other
18 information that may be required under ORS 291.201 to 291.222.

19 (b) At a minimum, a zero-based budget plan submitted by a state agency under paragraph
20 (a)(B) of this subsection must contain the following information:

21 (A) A description of those discrete activities that the agency performs and a justification
22 for the existence of each activity by reference to statute or other legal authority.

23 (B) For each activity, a quantitative estimate of any adverse impacts that could reason-
24 ably be expected if the activity were discontinued, together with a full description of the
25 methods by which the adverse impact is estimated.

26 (C) For each activity, an itemized account of expenditures that would be required to
27 maintain the activity at the minimum level of service required by the statutory authority,
28 together with a concise statement of the quantity and quality of service required at that
29 minimum level.

30 (D) For each activity, an itemized account of expenditures required to maintain the ac-

NOTE: Matter in **boldfaced** type in an amended section is new; matter [*italic and bracketed*] is existing law to be omitted.
New sections are in **boldfaced** type.

1 tivity at the current level of service, together with a concise statement of the quantity and
2 quality of service being provided.

3 (E) A ranking of all activities that shows the relative contribution of each activity to the
4 overall goals and purposes of the agency at the current level of service.

5 (3) In preparing the tentative budget plan and the budget report required under ORS
6 291.210 and 291.216, the department and the Governor shall subject the budget of each state
7 agency to zero-based budget review not less than once every four biennia.

8 SECTION 3. Section 2 of this 2011 Act applies to tentative budget plans and budget re-
9 ports prepared for biennia beginning on or after July 1, 2013.

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