

**77th OREGON LEGISLATIVE ASSEMBLY – 2013 Session
BUDGET REPORT AND MEASURE SUMMARY**

MEASURE: HB 5014

JOINT COMMITTEE ON WAYS AND MEANS

**Carrier – House: Rep. Bailey
Carrier – Senate: Sen. Thomsen**

Action: Do Pass

Vote: 23 – 2 – 1

House

Yeas: Barker, Buckley, Frederick, Huffman, Jenson, Komp, McLane, Nathanson, Read, Richardson, Smith, Tomei, Williamson

Nays: Freeman, Hanna

Exc:

Senate

Yeas: Burdick, Devlin, Edwards, Girod, Hansell, Rosenbaum, Steiner Hayward, Thomsen, Whitsett, Winters

Nays:

Exc: Johnson

Prepared By: Lisa Pearson, Department of Administrative Services

Reviewed By: Linda Gilbert, Legislative Fiscal Office

Meeting Date: May 17, 2013

Agency

Department of Geology and Mineral Industries

Biennium

2013-15

Budget Summary*

	<u>2011-13 Legislatively Approved Budget ⁽¹⁾</u>	<u>2013-15 Current Service Level</u>	<u>2013-15 Committee Recommendation</u>	<u>Committee Change from 2011-13 Leg. Approved</u>	
				<u>\$\$ Change</u>	<u>% Change</u>
General Fund	\$ 2,464,702	\$ 2,638,699	\$ 2,575,953	\$ 111,251	4.5%
Other Funds	\$ 9,034,864	\$ 4,192,866	\$ 7,848,295	\$ (1,186,569)	-13.1%
Federal Funds	\$ 5,268,289	\$ 3,050,661	\$ 4,308,092	\$ (960,197)	-18.2%
Total	\$ 16,767,855	\$ 9,882,226	\$ 14,732,340	\$ (2,035,515)	-12.1%

Position Summary

Authorized Positions	53	35	50	-3
Full-time Equivalent (FTE) positions	48.57	34.20	49.20	-0.63

(1) Includes adjustments through December 2012.

* Excludes Capital Construction expenditures

Summary of Revenue Changes

The Department of Geology and Mineral Industries is funded with General Fund, Other Funds from permit fees, contracts and projects, and federal grant funds. The recommended budget eliminates a \$1 Lottery Funds beginning balance in the Geologic Survey program.

Summary of Natural Resources Subcommittee Action

The Department of Geology and Mineral Industries (DOGAMI) provides policy development, planning, regulation, and information regarding the geologic resources and risks of the state. The Natural Resources Subcommittee approved a total funds budget of \$14.7 million and 49.20 full-time equivalents (FTE). The approved budget includes \$2.6 million General Fund, \$7.8 million Other Funds, and \$4.3 million Federal Funds. The subcommittee's recommended budget is a 4.5 percent General Fund increase from the 2011-13 Legislatively Approved Budget through December 2012, and is 2.4 percent less than the 2013-15 current service level. The total funds budget is 12.1 percent less than the 2011-13 Legislatively Approved Budget and is 49.1 percent greater than the 2013-15 current service level.

Geologic Survey and Services

This program is Oregon's central source of geologic information used for a variety of purposes, including land use planning, hazard identification, economic development, and resource management. Services include geologic and fault mapping, projects, earthquake ground response, landslide research, economic geology, and public education. The subcommittee approved a total funds budget of \$12.4 million and 38.71 FTE. The budget for this program includes \$2.6 million General Fund, \$5.6 million Other Funds, and \$4.3 million Federal Funds.

The Subcommittee recommended package 091: Statewide Administrative Savings. This package is a placeholder for administrative efficiencies in finance, information technology, human resources, accounting, payroll, and procurement expenditures. The Department of Administrative Services will continue to work on details of these reductions with agencies and report back during the 2014 session.

Package 092: PERS Taxation Policy was approved; this package reflects the policy change in SB 822 that eliminates the increased retirement benefits resulting from Oregon income taxation of payments if the person receiving the payments does not pay Oregon income tax on those benefits and is not an Oregon resident. This change reduces state employer contribution rates by approximately 0.30 percent.

The Subcommittee recommended package 093: Other PERS Adjustments. This package reflects the policy change in SB 822 that modifies the cost-of-living adjustment under the Public Employees Retirement System. This change reduces state employer contribution rates by approximately 2.2 percent.

An administrative action by the PERS Board, as directed by a budget note in the SB 822 budget report, will reduce state employer contribution rates by up to an additional 1.9 percent. However, no employer rate is reduced below its 2011-13 biennium rate.

The Subcommittee approved Package 101: Oregon LIDAR Data Acquisition Program, which provides \$3.5 million total funds expenditure limitation and three positions/3.40 FTE for highly-detailed surface mapping projects. Two of the positions (the information specialist and fiscal analyst) are made permanent while the requested cartographer position is approved as limited duration. The approved package also includes a 0.40 FTE PEM/C permanent position; the remaining FTE for this position is found in package 102.

The Subcommittee approved Package 102: Flooding Hazards Assessment Program, which adds \$1.5 million total funds expenditure limitation to systematically inventory, map exposure to, and perform risk analyses of river and coastal flooding, erosion, migration, and tsunami inundation and of winter-storm-induced rapidly moving landslides. This package also includes 11 positions (10.60 FTE). All of the approved positions and FTE are limited duration except for one PEM/C (0.60 FTE) which is also part of package 101.

Package 810: LFO Analyst Adjustments adjusts revenue only to eliminate a \$1 Lottery Funds beginning balance.

Mineral Land Regulation and Reclamation

This program oversees and regulates mining activities. The Subcommittee approved a total funds budget of \$2.3 million and 10.49 FTE positions. The budget for this program is all Other Funds.

Package 092: PERS Taxation Policy was approved; this package reflects the policy change in SB 822 that eliminates the increased retirement benefits resulting from Oregon income taxation of payments if the person receiving the payments does not pay Oregon income tax on those benefits and is not an Oregon resident. This change reduces state employer contribution rates by approximately 0.30 percent.

The Subcommittee recommended package 093: Other PERS Adjustments. This package reflects the policy change in SB 822 that modifies the cost-of-living adjustment under the Public Employees Retirement System. This change reduces state employer contribution rates by approximately 2.2 percent.

An administrative action by the PERS Board, as directed by a budget note in the SB 822 budget report, will reduce state employer contribution rates by up to an additional 1.9 percent. However, no employer rate is reduced below its 2011-13 biennium rate.

The subcommittee approved Package 103: MLRR Permit Coordination Staff, which continues one permit coordinator position (1.00 FTE). This position was limited duration in the 2011-13 biennium and this package makes it permanent. The package provides \$0.1 million total funds expenditure limitation for the position.

Summary of Performance Measure Action

See attached Legislatively Adopted 2013-15 Key Performance Measures form.

DETAIL OF JOINT COMMITTEE ON WAYS AND MEANS ACTION

HB 5014

Department of Geology and Mineral Industries
 Lisa Pearson -- 503-373-7501

DESCRIPTION	GENERAL FUND	LOTTERY FUNDS	OTHER FUNDS		FEDERAL FUNDS		TOTAL ALL FUNDS	POS	FTE
			LIMITED	NONLIMITED	LIMITED	NONLIMITED			
2011-13 Legislatively Approved Budget at Dec 2012 * \$	2,464,702 \$	0 \$	9,034,864 \$	0 \$	5,268,289 \$	0 \$	16,767,855	53	48.57
2013-15 ORBITS printed Current Service Level (CSL) \$	2,638,699 \$	0 \$	4,192,866 \$	0 \$	3,050,661 \$	0 \$	9,882,226	35	34.20
SUBCOMMITTEE ADJUSTMENTS (from CSL)									
010 - Geologic Survey									
Package 091: Statewide Administrative Savings									
Personal Services	\$ (9,435)		\$ (25,755)	0 \$	0 \$	0 \$	(35,190)	0	0.00
Services and Supplies	\$ (1,721)		\$ (21,807)	0 \$	0 \$	0 \$	(23,528)		
Package 092: PERS Taxation Policy									
Personal Services	\$ (5,738)		\$ (4,213)	0 \$	(7,026) \$	0 \$	(16,977)	0	0.00
Package 093: Other PERS Adjustments									
Personal Services	\$ (45,852)		\$ (33,662)	0 \$	(56,145) \$	0 \$	(135,659)	0	0.00
Package 101: Oregon LIDAR Data Acquisition Program									
Personal Services	\$ 0	0 \$	482,728 \$	0 \$	0 \$	0 \$	482,728	3	3.40
Services and Supplies	\$ 0	0 \$	3,028,000 \$	0 \$	0 \$	0 \$	3,028,000		
Package 102: Flood Hazards Assessment Program									
Personal Services	\$ 0	0 \$	147,766 \$	0 \$	1,309,102 \$	0 \$	1,456,868	11	10.60
Services and Supplies	\$ 0	0 \$	25,000 \$	0 \$	11,500 \$	0 \$	36,500		
020 - Mined Land Reclamation									
Package 092: PERS Taxation Policy									
Personal Services	\$ 0		\$ (4,735)		0 \$	0 \$	(4,735)	0	0.00
Package 093: Other PERS Adjustments									
Personal Services	\$ 0		\$ (37,831)		0 \$	0 \$	(37,831)	0	0.00
Package 103: MLRR Permit Coordination Staff									
Personal Services	\$ 0	0 \$	99,938 \$	0 \$	0 \$	0 \$	99,938	1	1.00
TOTAL ADJUSTMENTS	\$ (62,746)	0 \$	3,655,429 \$	0 \$	1,257,431 \$	0 \$	4,850,114	15	15.00
SUBCOMMITTEE RECOMMENDATION *	\$ 2,575,953	0 \$	7,848,295 \$	0 \$	4,308,092 \$	0 \$	14,732,340	\$ 50	49.20
% Change from 2011-13 Leg Approved Budget	4.5%	0.0%	-13.1%	0.0%	-18.2%	0.0%	-12.1%	-5.7%	1.3%
% Change from 2013-15 Current Service Level	-2.4%	0.0%	87.2%	0.0%	41.2%	0.0%	49.1%	42.9%	43.9%

Legislatively Approved 2013-2015 Key Performance Measures

Agency: GEOLOGY & MINERAL INDUSTRIES, DEPARTMENT of

Mission: Provide earth science information and regulation to make Oregon safe and prosperous.

Legislatively Proposed KPMs	Customer Service Category	Agency Request	Most Current Result	Target 2014	Target 2015
1 - EARTHQUAKE AND LANDSLIDE MAP COMPLETION - Percent of communities and other stakeholders with hazard maps and risk studies for earthquake and landslide hazards.		Approved KPM	41.00	45.00	45.00
2 - TSUNAMI EVACUATION MAP COMPLETION - Percent target communities with official, reviewed evacuation map brochures produced by DOGAMI.		Approved KPM	44.00	100.00	100.00
3 - COASTAL EROSION MAP COMPLETION - Percent target communities with standardized, 4-risk zone erosion hazard maps.		Approved KPM	80.00	100.00	
5 - RECLAMATION - Total number of mining acres that have been reclaimed and returned to secondary beneficial use.		Approved KPM	6,884.00	6,000.00	
6 - DETAILED GEOLOGIC MAP COMPLETION - Percent of Oregon where geologic data in the form of high resolution maps have been completed to be used for local problem solving.		Approved KPM	55.00	60.00	
7 - REGIONAL GEOLOGIC MAP COMPLETION - Percent of Oregon where geologic data in the form of medium resolution maps have been completed to be used for regional problem solving.		Approved KPM	96.00	100.00	
8 - MINE SITES INSPECTED ANNUALLY - Percent of mine operators with active sites inspected annually.		Approved KPM	56.00	50.00	
9 - TSUNAMI INUNDATION MAP COMPLETION - Percent of coastal communities provided with detailed tsunami inundation maps for local emergency planning.		Approved KPM	38.00	100.00	
10 - CUSTOMER SERVICE - Percent of customers rating their satisfaction with the agency's customer service as "good" or "excellent": overall customer service, timeliness, accuracy, helpfulness, expertise and availability of information.	Accuracy	Approved KPM	100.00	90.00	90.00

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Legislatively Proposed KPMs	Customer Service Category	Agency Request	Most Current Result	Target 2014	Target 2015
10 - CUSTOMER SERVICE - Percent of customers rating their satisfaction with the agency's customer service as "good" or "excellent": overall customer service, timeliness, accuracy, helpfulness, expertise and availability of information.	Availability of Information	Approved KPM	100.00	90.00	90.00
10 - CUSTOMER SERVICE - Percent of customers rating their satisfaction with the agency's customer service as "good" or "excellent": overall customer service, timeliness, accuracy, helpfulness, expertise and availability of information.	Expertise	Approved KPM	100.00	90.00	90.00
10 - CUSTOMER SERVICE - Percent of customers rating their satisfaction with the agency's customer service as "good" or "excellent": overall customer service, timeliness, accuracy, helpfulness, expertise and availability of information.	Helpfulness	Approved KPM	100.00	90.00	90.00
10 - CUSTOMER SERVICE - Percent of customers rating their satisfaction with the agency's customer service as "good" or "excellent": overall customer service, timeliness, accuracy, helpfulness, expertise and availability of information.	Overall	Approved KPM	100.00	90.00	90.00
10 - CUSTOMER SERVICE - Percent of customers rating their satisfaction with the agency's customer service as "good" or "excellent": overall customer service, timeliness, accuracy, helpfulness, expertise and availability of information.	Timeliness	Approved KPM	100.00	90.00	90.00
11 - GOVERNANCE - Percent of yes responses by Governing Board members to the set of best practices.		Approved KPM	100.00	100.00	
12 - Geologic Hazard Preparedness, % of Oregon communities with geologic hazard data and prevention activities in place.		Approved KPM	46.00	52.00	

LFO Recommendation:

Approve the KPMs as presented by the Department. The Department will undergo strategic planning in 2013-15, which may result in proposed changes to some KPMs.

Sub-Committee Action:

The Sub-Committee approved the LFO recommendation.