

Joint Committee on Ways and Means

Carrier – House: Rep. Buckley
Carrier – Senate: Sen. Devlin

Revenue: Revenue statement issued

Fiscal: Fiscal statement issued

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

Vote: 21 – 3 – 2

House

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

Nays: Freeman, Hanna

Exc: McLane, Richardson

Senate

Yeas: Bates, Devlin, Edwards, Girod, Hansell, Johnson, Monroe, Steiner Hayward, Thomsen, Winters

Nays: Whitsett

Exc:

Prepared By: Ken Rocco, Legislative Fiscal Office

Meeting Date: July 7, 2013

WHAT THE MEASURE DOES: This measure implements statutory changes necessary to support the legislatively approved budget and to clarify the application of statutes. This measure, relating to state financial administration, is not an appropriation bill and therefore does not include the appropriation of funds. The measure, however, is necessary to achieve a balanced budget for the 2013-15 biennium. The measure is effective on passage.

The fiscal or budgetary impacts of provisions of this measure are contained in HB 5008, which is the budget reconciliation bill for the 2013-15 biennium, or in other specific agency budget measures. The major provisions, by program area, are:

Education Program Area: Allows for sale of excess School for the Deaf property with proceeds used to offset deferred maintenance cost; provides additional resources for Portland Public Schools relating to non-Portland resident students who receive services from the Providence long-term care facility and educational related services from Portland Schools; Authorizes the Department of Education to make grants to certain schools to improve student achievement; Universities with a government board subject to statute related to art work acquisitions under ORS 276.090, if Senate Bill 270 becomes law; and authorizes a transfer of up to \$12 million from the State School Fund to the Network of Quality Teaching and Learning Fund established by HB 2506.

Human Services Program Area: Continues, for two more years, the suspension of certain Temporary Assistance for Needy Families (TANF) program services; conforms Oregon Reinsurance Program eligibility to changes in administration of the federal high risk pool; clarifies that receipt of state funds for providing services, rather than entity making payment, is part of criteria defining “adult foster care home provider” as used in ORS 443.733; and allows use of Quality Care Fund established under ORS 443.001, on a one-time basis, for operating expenses of fund-related programs.

Public Safety Program Area: Repeals obsolete Military Department revolving fund and payment requirements; expands the eligible use of the Oregon Local Disaster Assistance Loan and Grant Account to include non-federally declared disasters; transfers Department of Justice Protection and Education Fund monies to the General Fund; provides statutory salary increase(s) for statutory judgeships; permits counties to reallocate up to one-half of monies appropriated for county law libraries and law library services to conciliation and mediation services in circuit courts; provides statutory salary increase for Attorney General; and allows the Judicial Department to establish rules for electronic application and modifies fee.

Economic and Community Development Program Area: Transfers Supplemental Employment Department Administrative Fund to the General Fund and transfers Public Purpose Charge revenue from the Housing and

Community Services Department's Energy Conservation Helping Oregonians program to the Oregon Department of Energy's Clean Energy Deployment Fund.

Natural Resources Program Area: Eliminates the County Fair Commission at Department of Agriculture and makes the Department of Administrative Services responsible for payments to county fairs; and transfers Department of Environmental Quality funds in the Assessment Deferral Loan Program Revolving Fund to the General Fund.

Transportation Program Area: Modifies previously approved allocations from the State Highway Fund: \$650,000 for project development of the Cornelius Pass Road; \$3.6 million to the City of Portland for project development and construction of sidewalks and other pedestrian facilities on South East 136th Avenue; and \$4.9 million to the Department of Transportation for the development of the Outer Powell Boulevard project; and modifies previously approved allocation from Transportation Program Development: \$1.5 million for Westside Transportation Solutions Study.

Consumer and Business Services Program Area: Provides statutory salary increase for the Commissioner of the Bureau of Labor and Industry

Administration Program Area: Transfers Department of Revenue remaining Tax Amnesty Fund to the General Fund; allows Department of Revenue to continue to use tobacco tax moneys for enforcement purposes; extends statutory date for the Government Ethics Commission to complete an online reporting system; changes the statutory reporting date for the Transparency Oregon Advisory Commission; transforms the Citizen's Initiative Review Commission into a semi-independent state agency; transfers Department of Administrative Services Insurance Fund to the General Fund; modifies distribution of Central Government Service Charge; directs quarterly reporting of state agency pay-line exceptions; specifies that liquor revenue attributable to the \$0.50 per bottle surcharge imposed by the Oregon Liquor Control Commission is distributed to the General Fund; repeals transfer of Lottery Funds ending balance to the School Capital Matching Fund; reverts unexpended Lottery Funds (non-Ballot Measure 76) to the Department of Administrative Services – Economic Development Fund; remedies technical issues with the Strategic Investment Program and establishes a payment schedule; transfers Secretary of State business registration fee revenues to the General Fund; removes Secretary of State Archives Division funding from the Central Government Service Charge; provides statutory salary increase for State Treasurer, Secretary of State, and Governor; modifies statutes related to the state's divestiture of investments in the Sudan; allows the State Treasurer to establish conditions by which a school district may qualify or maintain qualification for state guaranty of its school bonds; and repeals reporting requirements of state agencies to the Legislature of responses to Secretary of State audit recommendations.

ISSUES DISCUSSED:

- Need for program change bill
- Transfers of funds from agency accounts to the General Fund
- Relation to HB 5008 the budget reconciliation bill
- Fiscal impact of the measure

EFFECT OF COMMITTEE AMENDMENT: Replaces the measure.

BACKGROUND: This measure is the Joint Committee on Ways and Means program change bill. Similar measures are introduced each legislative session. This measure, relating to state financial administration, is not an appropriation bill and therefore does not include the appropriation of funds.