

Requested by JOINT COMMITTEE ON WAYS AND MEANS

**PROPOSED AMENDMENTS TO  
SENATE BILL 1596**

1 On page 17 of the printed bill, delete lines 12 through 36 and insert:

2 **“SECTION 35.** ORS 291.373 is amended to read:

3 “291.373. (1) As used in this section[,]:

4 **“(a) ‘Legislatively approved budget’ has the meaning given that**  
5 **term in ORS 291.002.**

6 **“(b) ‘Program’ means an activity or a series of related activities**  
7 **that a state agency performs to fulfill its constitutional or statutory**  
8 **duties and that is identified, by name or otherwise with particularity,**  
9 **in the Oregon Constitution, statutory law, a budget report or a staff**  
10 **measure summary for a bill prepared by the Legislative Assembly for**  
11 **a state agency budget that is part of the legislatively approved budget,**  
12 **a performance measure developed under ORS 291.110 or any other**  
13 **manner specified by the Legislative Assembly.**

14 **“(c) ‘State agency’ has the meaning given that term in ORS 291.002.**

15 *“[(2) A state agency shall report, as provided in this section, to the appro-*  
16 *priate committee of the Legislative Assembly if the agency makes substantive*  
17 *changes in programs after the agency’s budget is approved by the Legislative*  
18 *Assembly.]*

19 *“[(3) The Oregon Department of Administrative Services shall adopt rules*  
20 *defining what constitutes a substantive program change for purposes of this*  
21 *section. When an agency has made a substantive program change as defined*

1 *by the department, the agency shall notify the department of the change. The*  
2 *department shall notify the Speaker of the House of Representatives and the*  
3 *President of the Senate of substantive program changes made by state*  
4 *agencies.]*

5 *“(4) Based upon information submitted by the Oregon Department of Ad-*  
6 *ministrative Services under subsection (3) of this section, the Speaker of the*  
7 *House of Representatives and the President of the Senate shall determine*  
8 *which committee is appropriate for each report that is to be made under sub-*  
9 *section (2) of this section.]*

10 *“(5) A committee to which a report is to be made under subsection (2) of*  
11 *this section may request that the report be made orally or in writing.]*

12 **“(2) A state agency shall report to the Director of the Oregon De-**  
13 **partment of Administrative Services, and the director shall report to**  
14 **the Legislative Assembly as provided in this section, any substantive**  
15 **change made in a program administered by the state agency.**

16 **“(3) For purposes of this section, a state agency is considered to**  
17 **have made a substantive change in a program if the state agency:**

18 **“(a) Establishes a new program, unless the Legislative Assembly**  
19 **provided for establishment of the program by law or anticipated es-**  
20 **tablishment of the program in the legislatively approved budget or in**  
21 **a budget report or staff measure summary relating to the legislatively**  
22 **approved budget.**

23 **“(b) Eliminates an existing program, unless the Legislative Assem-**  
24 **by provided for elimination of the program by law or anticipated**  
25 **elimination of the program in the legislatively approved budget or in**  
26 **a budget report or staff measure summary relating to the legislatively**  
27 **approved budget.**

28 **“(c) Delays by six months or longer the establishment or elimi-**  
29 **nation of a program prescribed by the Legislative Assembly by law or**  
30 **in a budget report on a bill.**

1       **“(d) Makes changes to the operation or financing of a program by:**

2       **“(A) Redesigning the program so as to affect a class of client benefit**  
3 **levels or provider reimbursement levels, unless the redesign consists**  
4 **solely of adjustments of an ongoing nature or processes that were de-**  
5 **scribed in written materials provided to the Legislative Assembly by**  
6 **the state agency during the most recent legislative session;**

7       **“(B) Implementing an executive order; or**

8       **“(C) Redirecting more than 10 percent of the program’s funding to**  
9 **another purpose as allowed by an appropriation or expenditure limi-**  
10 **tation.**

11       **“(e) Otherwise reorganizes or makes changes to the operation or**  
12 **financing of a program and the Legislative Fiscal Officer or the di-**  
13 **rector determines that the changes affect one or more essential as-**  
14 **pects of the program.**

15       **“(4) Not later than 14 days after the end of each calendar quarter,**  
16 **a state agency shall report to the director any substantive change in**  
17 **a program made during the preceding calendar quarter. A state agency**  
18 **is not required to report under this subsection if the agency has not**  
19 **made a substantive change in a program during the preceding calendar**  
20 **quarter.**

21       **“(5) Not later than 35 days after the end of each calendar quarter,**  
22 **the director shall report on all substantive program changes made by**  
23 **state agencies during the preceding calendar quarter to the President**  
24 **of the Senate, the Speaker of the House of Representatives and the**  
25 **Legislative Fiscal Officer. The director is not required to report under**  
26 **this subsection if no state agencies have made a substantive change**  
27 **in a program during the preceding calendar quarter.**

28       **“(6) If a state agency or the director fails to report a substantive**  
29 **program change as required under subsections (4) and (5) of this sec-**  
30 **tion, the state agency immediately shall report the substantive pro-**

1 **gram change to the director. The director immediately shall report to**  
2 **the President of the Senate, the Speaker of the House of Represen-**  
3 **tatives and the Legislative Fiscal Officer. The report shall identify the**  
4 **program change, describe why the report was not made as required**  
5 **by subsection (4) or (5) of this section and describe how the failure to**  
6 **report was identified.**

7 “[(6)] (7) [An] **A state** agency need not report to [*a committee under*  
8 *subsection (2)*] **the director under subsection (4)** of this section on any  
9 matter that the agency is required by ORS 291.371 or 291.375 to report or  
10 present to the Emergency Board, to the Joint Interim Committee on Ways  
11 and Means or to the Joint Committee on Ways and Means.”.

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