

## **HB 3470 STAFF MEASURE SUMMARY**

### **Joint Committee On Ways and Means**

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**Prepared By:** John Borden, Budget Analyst

**Meeting Dates:** 7/3, 7/3

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#### **WHAT THE MEASURE DOES:**

This measure implements statutory changes necessary to support the 2017-19 legislatively adopted 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 2017-19 biennium. The measure has an emergency clause and is effective on passage.

The fiscal or budgetary impacts of provisions of this measure are contained in HB 5006 (budget reconciliation) and SB 5529 (Lottery Fund/Criminal Fines Account/Marijuana Account allocations) for the 2017-19 biennium, or in other specific agency budget measures.

Other Funds transfers provided in this measure are one-time in nature and only apply to the 2017-19 biennium and are to be made on the effective date of the measure or as otherwise noted.

The major provisions, by program area, are:

**Education Program Area:** Delays implementation of sections of HB 3072 (2015) until the 2019-21 biennium. This will allow the Oregon Department of Education (ODE), school districts and others to determine how best to allocate Science, Technology, Engineering, and Math (STEM) and Career and Technical Education (CTE) resources after passage of Ballot Measure 98 which increases the funding significantly for CTE activities in districts across the state. ODE should continue to use the STEM Council and other groups to advise them how to distribute these funds during 2017-19.

**Human Services Program Area:** Extends the sunset authorizing the Department of Human Services to appear as a party in juvenile court proceeding without appearance of attorney; and continues, for two more years, the suspension of certain Temporary Assistance for Needy Families (TANF) program services.

**Economic and Community Development Program Area:** Transfers the Oregon Volunteers Commission for Voluntary Action and Service from the Housing and Community Services Department to the Office of the Governor.

**Natural Resources Program Area:** Provides for a temporary exception to the application, scoring, and ranking processes for specified projects funded from the Water Supply Development Account; transfers balance of the Alternative Fuel Vehicle Revolving Fund at the Department of Energy to the General Fund for general governmental purposes, abolishes the fund, and repeals the related statutes.

**Transportation Program Area:** Transfers Connect Oregon loan repayments to the Oregon Business Development Department.

**Public Safety Program Area:** Transfers revenue from the Department of Justice to the General Fund for general governmental purposes.

**Administration Program Area:** Extends the submission date of a report on the State Treasurer's investment statutes from December 31, 2016 to December 31, 2017; allows the Oregon Liquor Control Commission to temporarily borrow from Oregon Liquor Control Commission Account to pay expenses of the Marijuana Control Commission Account; transfers revenues from the Department of Administrative Services and the State Library to the General Fund for general governmental purpose; changes the allocation of state marijuana tax revenues moneys, changes the

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method by which cities and counties receive state marijuana tax allocations; and directs the Department of Administrative Services - Office of Economic Analysis to forecast state marijuana tax revenues on a quarterly basis.

Legislative Branch: Extends current law related to legislator and other elected official salary.

Judicial Branch: Allows counties to reallocate up to one-half of General Fund appropriated for county law libraries to conciliation and mediation services in circuit courts; and moves date of increase in transfer rate to the State Court Technology Fund from October 1, 2017 to July 1, 2017 (HB 2795).

### ISSUES DISCUSSED:

- Need for program change measure
- Not an appropriation measure
- Necessary to achieve a balanced budget for the 2017-19 biennium
- Relation to HB 5006, the budget reconciliation measure; SB 5529, the allocation measure; and agency budgets
- Fiscal impact
- Transfers to the General Fund for general governmental purposes

### EFFECT OF AMENDMENT:

Replaces the measure.

### BACKGROUND:

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