

SB 1067

Relating to government cost containment

SB 1067 makes several changes to state government processes, programs, and services to reduce and contain state government costs. These changes include:

- Additional review and reporting on staffing and personnel costs, state procurement practices, and State Lottery administrative costs and transfer rates.
- Modifications to budgeting practices.
- Centralization and other changes to debt collection practices for state government.
- Begins the process to merge the Public Employees' Benefit Board and the Oregon Educators Benefit Board and make changes to health plans, including eliminating double coverage for PEBB and OEGB covered employees, limiting health plan increases at no more than 3.4% per year, and tying hospital rates to a percentage of Medicare rates.
- Adjust provisions regarding PERS side accounts.
- Limits the PERS contingency reserve to \$50 million and redeploys funds above that amount to other PERS needs, including reducing the unfunded actuarial liability.

In addition to direct savings that are expected to begin in the 2019-21 biennium, the measure is anticipated to institute prudent financial principles, constrain future budgetary growth, and produce reductions in agency costs.

The Capital Construction Subcommittee recommends Senate Bill 1067 be amended by the –28 amendment and be reported out do pass, as amended.